

SECTION TWO: INCOME

This Section contains:

- ✓ [Income Definition and Determining Income Eligibility](#)
- ✓ [Income and Income Exclusion Chart](#)
- ✓ [Proof of Income](#)
- ✓ [What Is Not Income](#)

Income Definition and Determining Income Eligibility

Income is defined by the Department of Health and Human Services as “a household’s countable cash receipts, before taxes.” To be eligible for assistance, a household’s gross income must be in accordance with the LIHEAP/OEAP Income Guidelines provided by OHCS each program year (*see Section Five*).

Eligibility for LIHEAP/OEAP is based on the following:

- All household income before any deductions (gross income).
- Number of household members.

Households must provide documentation of their gross income for the eligibility period determined by their local agency (in compliance with the timelines expressed in this manual). Local agency developed forms must be used for the households or household members claiming zero income (local agencies may require that applicants and/or households claiming zero income to submit additional information).

NOTE: Income that exchanges hands within a household is not counted.

Intake Manual

Income and Income Exclusion Chart

Income types	Definition	Considered Income?		Proof of Income
		Yes	No	
Adoption Assistance	Financial assistance and medical coverage granted to an adoptive family to offset the short-and long-term costs of adopting an eligible child.	X		Official state and/or court documents, bank statement.
Alimony	An allowance paid to a person by that person's spouse or former spouse for living expenses.	X		Court documents, written statement from person paying support, DHI form.
Annuities	A specified income payable at stated intervals for a fixed or a contingent period, often for the recipient's life.	X		Statement from investment firm, bank statement.
Cash Gifts - Irregular	Irregular cash gifts or payment on behalf of the household also includes loans and cash draw down on credit cards.		X	
Cash gifts - Regular	Must provide regular support for an individual or for the household, paid directly to the household.	X		Written statement from person providing support, DHI form
Child Support	Money paid for the care of one's minor child. Include Child Support income that is provided to minors.	X		Court documents, written statement from person paying support, DHI form, Reliacard statement, bank statement.
Contract for Deed	A land contract is a contract between a seller and buyer of real property in which the seller provides financing to buy the property for an agreed-upon purchase price and the buyer repays the loan in installments.	X		Contract documents, receipts
DHS Cash Assistance (SNAP in the form of cash assistance instead of food stamps) <i>See also Food Stamps.</i>	Cash assistance deposited directly into household bank account.		X	
Dividends	A sum of money paid to shareholders of a corporation out of earnings.	X		Letter from corporation declaring amount, bank statement.

Intake Manual

Income types	Definition	Considered Income?		Proof of Income
		Yes	No	
Earned Income	Wages, Salaries, Commissions, Bonuses, Profit Sharing, Tips, Vacation Pay, Overtime Pay, Severance Pay, Sick Leave	X		Wage Stubs or statement from employer
Earned Income Credit (EIC)	A tax credit for low income households.		X	
Employers paid fringe benefits	Health Insurance, retirement, etc.		X	
Energy Grants	Money received under last year's LIHEAP, OEAP or from private utility energy assistance programs.		X	
Federal Disaster Payments	Payments made by federal agencies under a presidential declaration of disaster.		X	
Food Stamps (SNAP) <i>See also DHS Cash Assistance.</i>	Assistance given under a federal program to eligible persons for food at designated grocery stores or markets.		X	
Foster Care	Payments made to foster families. Types of foster care: Family Foster Care, Special Rate Foster Care, Family Shelter Care, Relative Foster Care, Independent Living Program	X		Official state and/or court documents, bank statement.
Foster Grandparents Program	A program for limited income people age 60 and older to serve as a role model, mentor and friend for a small stipend.		X	
Home Ownership Voucher Program	Section 8 home ownership program.		X	
Income Earned by household members still enrolled in high school	Income Earned by household members eighteen (18) and over, who are enrolled in high school.		X	
Income Earned by minors	Income Earned by household members under the age of eighteen (18).		X	

Intake Manual

Income types	Definition	Considered Income?		Proof of Income
		Yes	No	
Income Not Counted By Law- Domestic Volunteer Service Act	Title I: Volunteers In Service To America (VISTA), AmeriCorps, University for Action (UYA), Urban Crime Prevention Program		X	
Income Not Counted By Law- Domestic Volunteer Service Act	Title II: Retired Senior Volunteer Program (RSVP), Foster Grandparent Program (FGP), Older Americans Service Program (Senior Health Aides, Senior Companions).		X	
Income Not Counted By Law- Domestic Volunteer Service Act	Title III: Service Corps of Retired Executives (SCORE)and Active Corps of Executives (ACE)		X	
Income Not Counted By Law- Title V of the Older Americans Act	Experience Works, Senior Health Aides, Senior Companions, Volunteer Respite care.		X	
Income Not Counted By Law – Title I of the Workforce Investment Act of 1998 (WIA)	Supportive services to WIA participants. Services include transportation, health care, child care, handicapped assistance, meals, temporary shelter, counseling, etc.		X	
Indian Per Capita Judgment Payments	Payments made to any tribe or group whose trust relationship with the Federal Government has been terminated and for which Legislation in effect before October 12, 1973 authorized the disposition of its judgment funds.		X	
Informal income	Income resulting from occasional sources such as yard work, child care, collecting bottles/cans, donating blood and/or plasma, etc.	X		Receipts, DHI and/or other local agency form(s).
In-kind Income	Food or rent received in lieu of wages.		X	
Interest	The sum of money paid to one for the use of their money	X		Bank statement (only if amount is over \$200, and is withdrawn).

Intake Manual

Income types	Definition	Considered Income?		Proof of Income
		Yes	No	
Job-related expenses for non-self-employed applicants	Business expenses comparable to self-employment, such as a sales person, truck driver, cab driver, or mechanic.		X	
Job related Reimbursements	Job related expenses such as mileage, meals, uniforms, medical expenses, etc.		X	
Lump Sum – Non-recurring	Income considered of a nature not likely to occur or happen again (i.e. lump sum insurance payments, workers compensation settlements, lottery winnings, sale of property, house or car, etc.)		X	
Military Pay	Benefits paid to a person who is serving in a military force.	X		Official document(s) stating amount (e.g. leave and earnings statement.)
Pensions	Assistance, paid at regular intervals to a person or to the person's surviving dependents in consideration of past services, age, merit, poverty, injury or loss sustained, etc.	X		Statement from source, bank statement.
Rebates & Refunds	Income Tax rebates and refunds		X	
Rental Income	Income received from rental properties.	X		Paperwork re: rental of property, receipts, bank statement, DHI and/or other local agency form(s).
Retirement	A monthly payment made to someone who is retired from work.	X		Statement from source, bank statement
Reverse Mortgage	A mortgage in which a homeowner, usually an elderly or retired person, borrows money in the form of annual payments which are charged against the equity of the home.		X	
Royalties	A compensation or portion of the proceeds paid to an owner of a right, as a patent, oil or mineral right, for the use of it or an agreed portion of the income from a work paid to its author, composer, etc.	X		Statement from source, bank statement

Intake Manual

Income types	Definition	Considered Income?		Proof of Income
		Yes	No	
Self-Employment Income	Income from a business, less business expenses.	X		Agency developed Self-employment form and any supporting documentation that local agency may require.
Senior Companion Program	A program which offers an opportunity for volunteers aged 60 and over to provide companionship and support to homebound adults, most of whom are also seniors.		X	
SNAP (Food Stamps)	<i>(See Food Stamps.)</i>		X	
Social Security Benefits (SS, SSD, SSI)	A federally funded program of social insurance and benefits which include retirement income, disability income, benefits paid to minors, and death and survivorship benefits.	X		Official documentation such as award letter, benefit verification letter or annual letter from Social Security Administration (SSA). As a last resort a bank statement or SNAP documents may be used.
Strike Benefits	Benefit from Union Action.	X		Copy of check, statement from Union.
Student Aid <i>(See also Work Study.)</i>	The full amount of all financial assistance paid directly to the student or to the educational institution. This includes: scholarships, grants, or loans.		X	
Temporary Assistance For Needy Families (TANF)	A program which provides assistance to needy families so that children may be cared for in their own homes or in the home of relatives.	X		Documentation showing amount of assistance.
Tribal per capita payments from casinos	Casino profits paid by a tribe directly, including payments made to minors.	X		Statement from tribe regarding payment amounts.
Unemployment Insurance	An allowance of money, usually weekly, to an unemployed worker by a state or federal agency.	X		Printout or statement from the employment office, check stubs.

Intake Manual

Income types	Definition	Considered Income?		Proof of Income
		Yes	No	
Veterans Benefits	Benefits paid directly to a person who has served in a military force or a surviving family member.	X		Benefit award letter, correspondence from the VA office, benefit payment check, bank statement.
Women, Infant, and children (WIC) Program	Women, Infants, and children (supplemental food program)		X	
Workers Compensation	Compensation for time lost due to a work related illness or injury.	X		Check stubs, statement from Workers Compensation, bank statement
Work Study (See Student Aid.)	The Work-Study program helps to provide graduates and undergraduates with part-time employment during the school year by paying a portion of the student's salary.	X		Pay stubs.

The "Proof of Income" table above is not exclusive. Other forms of verification may be approved by local agency .

NOTE: SNAP (Food Stamp) documentation, whether printed or electronic, should only be used for income verification as a last resort.

Intake Manual

Proof of Income

Count income for all household residents. The following items are acceptable as proof (verification) of income. If other items are submitted, please check with your supervisor for approval.

- **Adoption Assistance** – Official state and/or court documents, bank statement.
- **Alimony** – Court order stating amount of support paid or received, written statement from person paying support, or if client is receiving support as part of an informal agreement and obtaining documentation creates a hardship on the client, a Declaration of Household Income (DHI) Form **must be** completed and signed.
- **Annuities** – Statement from the investment firm listing amount and frequency or bank statement.
- **Cash Gifts: Regular** – Written statement from person providing support, Declaration of Household Income (DHI) form.
- **Child Support** – Court order stating amount of support paid or received, documentation from the Department of Child Support, bank statement, Reliacard statement, written statement from person paying support; or if the client receiving support as part of an informal agreement and obtaining documentation creates a hardship on the client, a Declaration of Household Income (DHI) and/or local agency form(s) **must be** completed and signed.
- All income that comes to the head of household or adult household member, in the name of a minor household member, must be counted as income.
- **Contract for Deed** – Contract documents, receipts.
- **Dividends** – Letter from corporation listing amount, bank statement.
- **Declaration of Household Income (DHI) and/or other local agency form(s)** – **Must be** completed and signed.
- **Earned Income** – Wages, Salaries, Commissions, Bonuses, Profit Sharing, Tips, Vacation Pay, Overtime Pay, Severance Pay, Sick Leave – Wage stubs or statement from employer specifying gross wages for one of the following time periods; one (1) month, three (3) months or twelve (12) months. (Wages earned through an employer.) **Local agencies will establish additional policies or documentation requirements to ensure accuracy and consistency.**
- **Foster Care** – Official state and/or court documents.
- **Informal Income** – Receipts, Declaration of Household Income (DHI) and/or other local agency form(s).
- **Interest** – Bank statement(s). Only to be counted if over \$200.00 per year and is withdrawn.

Intake Manual

- **Military Pay** – Official document(s) stating amount (e.g. leave and earnings statement, bank statement). When a household member is deployed, that person remains a household member. The deployed person's gross income is counted as household income.
- **Pensions** – Statement from source, bank statement.
- **Rental Income** – Paperwork regarding rental of property, receipts, bank statement.
- **Retirement** – Statement from source, bank statement.
- **Royalties** – Statement from source, bank statement.
- **Self-Employment Income** – Agency developed self-employment form and any supporting documentation that local agency may require.
- **SS or SSI** – The following list is acceptable benefit verification if the applicant reports **receipt** of Social Security or Supplemental Income.
 1. SSA or SSI award letter or Benefit Verification letter.
 2. Form SSA 1099 (Social Security Benefit Statement).
 3. Correspondence from SSA.
 4. Intake workers can also verify information available to the applicant by telephone through national Social Security Administration Tele-Service Center at 1-800-772-1213, when client is present. The SSA staff will ask the client several questions for identification purposes, and then will provide the income and social security number. The local program staff then should make notation in the applicant's file to document the date the information was provided and what is being verified. A fax may be requested, but the client must be present for receipt of fax. This is generally sent out the day requested.

As a last resort only, bank statements or benefit payment checks can be utilized to determine client SSA/SSI benefits. However, please note the following:

- a) If a client receives SSI, the amount listed on the bank statement is the gross amount received.
 - b) If a client receives SS or SSD, a pre-determined amount may need to be added for the Standard B Medicare deduction to establish gross income. Check with your local Social Security office to obtain the current pre-determined amount.
 - c) If a client participates in the Part D Prescription benefit the client will need to complete a Declaration of Household Income form to report the amount deducted.
- **Strike Benefits** – Copy of check, statement from Union.

Intake Manual

- **Temporary Assistance For Needy Families (TANF)** - A program which provides assistance to needy families so that children may be cared for in their own homes or in the home of relatives.
- **Tribal per capita payments from casinos** – Statement from tribe regarding payment amounts.
- **Unemployment** – Printout or statement from the employment office.
- **Veterans Benefits** – Benefit award letter, correspondence from the VA office, benefit payment check, bank statement.
- **Workers Compensation** – Benefit Statement, bank statement, check stub.
- **Work Study** – Pay stubs.