



Commonwealth of Massachusetts
Executive Office of Health and Human Services
Department of Transitional Assistance
600 Washington Street • Boston, MA 02111

DEVAL L. PATRICK
Governor


JUDYANN BIGBY, M.D.
Secretary

TIMOTHY P. MURRAY
Lieutenant Governor

JULIA E. KEHOE
Commissioner

Field Operations Memo 2008-18
April 1, 2008

To: Transitional Assistance Office Staff

From:  John Augeri, Assistant Commissioner for Field Operations

Re: TAFDC, EA, FS and EAEDC – Treatment of the Federal Economic Stimulus Payment

Overview

Starting in May, the federal government will issue an Economic Stimulus payment to many taxpayers pursuant to the Economic Stimulus Act of 2008. Some people, who are not normally required to file taxes, including low-income workers, recipients of Social Security, recipients of certain benefits received from the Department of Veterans Affairs and recipients of certain Railroad Retirement benefits, may be eligible for the payment as well, if they file a federal tax return.

Some TAFDC, EAEDC, EA and Food Stamp applicants and clients may qualify for, and receive the stimulus payment.

Purpose of Memo

This Field Operations Memo issues instructions on how to treat the economic stimulus payment for DTA program purposes.

Treatment of the Payment for the TAFDC, EA and FS Programs

If a TAFDC, EA or Food Stamp applicant or client reports he or she received a stimulus payment, DTA will treat the stimulus payment according to federal rules. Under the Economic Stimulus Act, the stimulus payment is noncountable as income and noncountable as an asset for the month in which it is received and the following two months for assistance programs that receive federal funding. Thereafter, any money held as cash and/or as an

**Treatment of
the Payment for
the TAFDC, EA
and FS
Programs
(continued)**

asset is countable and should be treated according to applicable rules for the TAFDC, EA and Food Stamp programs.

However, AU Managers should not conduct any special review of cases, and treatment of the stimulus payment should be considered only during the normal course of on-going casework processing.

**Treatment of
the Payment for
the EAEDC
Program**

If an EAEDC applicant or client reports he or she received a stimulus payment, DTA will treat the stimulus payment as an earned income tax credit which is noncountable as income and noncountable as an asset in the month received and the following month. The payment is a countable asset in the third month and thereafter (106 CMR 321.140 (R)).

For EAEDC, AU Managers should not conduct any special review of cases, and treatment of the stimulus payment should be considered only during the normal course of on-going casework processing.

At application, or during the normal course of on-going casework processing for an established case, if the applicant or client who received a stimulus payment has more than the EAEDC \$250 allowable asset limit (or \$500 for two or more clients in the case) available in the third month, the TAO Director or designee must call the Legal Division for guidance on how to proceed with an eligibility determination.

**Tracking the
Noncountable
Time Periods**

AU Managers and Supervisors must take appropriate steps to ensure that the stimulus payment is not unintentionally or inappropriately counted in the month received and the following two months for TAFDC, EA and FS, and for EAEDC, in the month received and the following one-month period.

If an applicant or client reports he or she received a stimulus payment, the AU Manager must request verification of the payment. (See 106 CMR 702.340 for acceptable methods of verification.)

When the applicant or client provides verification, the AU Manager must annotate the BEACON Narratives tab for each DTA program in which the applicant or client receives benefits indicating the month the stimulus payment was received and the months in which it is noncountable for the appropriate program.

Questions

If you have any questions, please have your Hotline designee call the Policy Hotline at 617-348-8478.
