

- Q.** I have a recipient who recently received an income tax refund. How do I treat this payment?
- A.** In both cash programs (TAFDC and EAEDC), tax refunds (state and federal) are not counted as income, but instead are treated as countable assets. Refer to 106 CMR 204.120(I) and 106 CMR 321.120(I) for more details.
- In the Food Stamp Program, tax refunds are considered a nonrecurring lump sum payment. The payment is noncountable income in accordance with 106 CMR 363.230(I). The tax refund is, however, counted as an asset in the month received. For more details, refer to 106 CMR 363.130(E).
- Q.** My recipient's refund includes an Earned Income Credit (EIC). How is this payment treated?
- A.** For the TAFDC, EAEDC and Food Stamp Programs, the EIC is considered noncountable income. EIC is noncountable as an asset in the month of receipt and in the following month. In the third month, any remaining portion of the EIC payment is considered a countable asset. Refer to 106 CMR 204.120(I) and 106 CMR 321.120(I) for more details. Information on this topic is also in the Food Stamp Manual at 106 CMR 363.140(G).
- Q.** I have a food stamp applicant who is homeless but also work program required. When I read the regulations on Universal Semiannual Reporting Requirements (USR), I noticed they require that I put homeless individuals on USR. At the same time, the policy says that individuals required to participate in the food stamp work program are an exception to the USR requirement. Which regulation do I apply in this situation?
- A.** If your applicant meets the work program USR exception mentioned at 106 CMR 366.110 (C), then the applicant should not be put on USR. This way, the applicant's compliance with the work program requirement can be properly monitored.

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