

**State/Territory Plan  
2022 - 2024**

**3.1 Eligible Children and Families**

**3.1.3 Eligibility criteria: Family Income Limits.**

<b>State/Territory</b>	<b>3.1.3a: How does the Lead Agency define 'income' for the purposes of eligibility at the point of initial determination?</b>
Alabama	Income is defined as the total gross monthly income of all family members.
Alaska	Per 7 AAC 41.325 the Child Care Program Office defines “income” as the parents’ total monthly earned and unearned income before taxes and mandatory deductions from all sources. The only deductions allowed are child support payments paid by the family and educational deductions. Policies and Procedures section 4080, financial eligibility is based on the family’s gross countable income, family size, and sliding fee scale.
American Samoa	<i>“Income”, for eligibility determination (and redetermination), is the total countable income for each applicable member of the CCDF household. Countable income includes: earned income (salary/ wages), incoming child support, pensions/ annuities, Social Security/ Supplemental Social Security benefits, any applicable business, rental property, or similar types of income-generating ventures for a household member, as reported by the Applicant/ Co-applicant. Acceptable forms of documentation used for these calculations are: check stubs issued within the last 60-days or an ASG Form303 for American Samoa Government employees, agency-issued award/ verification letters, fiscal statements. Accepting any other type of document in place of the aforementioned for eligibility determination/ re-determination will require the written approval of the State Administrator, which at minimum is documented in the progress notes.</i>

Arizona	<p>The “income” is defined as earned and unearned income combined. If the gross monthly income for the family is less than or equal to 165 percent of the Federal Poverty Level, the family meets initial income eligibility requirements for Child Care Assistance.</p> <p>The gross countable monthly income of a family includes: Gross earnings received for work including wages, salary, armed forces pay (base pay only), commissions, tips, overtime, piece-rate payments, and cash bonuses earned. Net income from self-employment, Social Security payments before deductions for medical insurance including Social Security benefits and "survivors" benefits, and permanent disability insurance payments made by the Social Security Administration. Railroad retirement insurance income, Interest on savings/checking accounts. Dividends from stocks, bonds, or royalties (interest on Series H United States Government Savings bonds is prorated monthly), Income from estates or trusts, Net rental income (Deduct the cost of repairs, utilities paid, maintenance, insurance, and mortgage payments for the month). Income from boarders or lodgers (only one-third of the amount charged is counted). Advances or draws from a company, corporation, or business partnership. Advances, draws, or loans from A sole proprietorship to its owner or owner's spouse, or from a single-member Limited Liability Company (LLC or PLLC) to its managing member or managing member's spouse. Mortgage payments received on the sale of a home or property when the loan is carried by someone in the household. If payments are received in advance of when they are due, they are counted in the month they are intended for. Public assistance payments include payments from the following programs: Cash Assistance, Supplemental Security Income (SSI), State Supplementary Payments (SSP), General Assistance (GA), Bureau of Indian Affairs General Assistance (BIAGA), and Tuberculosis Control (TC). Pensions and annuities including pensions or retirement benefits paid to a retired person or their survivors by a former employer or by a union, or distributions or withdrawals from an individual retirement account. Unemployment Insurance (UI) payments including payments from government unemployment insurance agencies or private companies during periods of unemployment and any strike benefit from union funds. Count the gross amount before any deductions. Worker's compensation payments. Money received from the AmeriCorps VISTA Program when the adjusted hourly payment is equal to or greater than the federal minimum wage. Current alimony or spousal maintenance payments. Current child support payments. Guardianship subsidy payments made to permanent guardians for children living in the home. (The income from the subsidy payment is the guardian's, not the child(ren)), Veterans Administration pensions including benefits and disability payments, Cash gifts received on a monthly (or regular) basis from relatives, other individuals, and private organizations. Money received through the lottery, sweepstakes, contests, or through gambling, whether received on an annuity or lump sum basis. Medical reimbursements, Health Savings Accounts (HSA). The amount of court-ordered child support that is paid each month is subtracted from the total monthly gross countable income.</p>
Arkansas	<p>Income can be classified as earned or unearned. The family is required to report all income at the time of application, including any income that is anticipated to be regularly received during the certification period. All earned and unearned income of each household member is counted unless specifically excluded.</p>

California	<p>“Total countable income” means all income of the individuals counted in the family size that includes, but is not limited to, the following:</p> <ol style="list-style-type: none"> <li>(1) Gross wages or salary, commissions, overtime, tips, bonuses, gambling or lottery winnings;</li> <li>(2) Wages for migrant, agricultural, or seasonal work;</li> <li>(3) CalWORKs cash aid;</li> <li>(4) Gross income from self-employment less business expenses with the exception of wage draws;</li> <li>(5) Disability or unemployment compensation;</li> <li>(6) Workers compensation;</li> <li>(7) Spousal support, child support received from the former spouse or absent parent, or financial assistance for housing costs or car payments paid as part of or in addition to spousal or child support;</li> <li>(8) Survivor and retirement benefits;</li> <li>(9) Dividends, interest on bonds, income from estates or trusts, net rental income or royalties;</li> <li>(10) Rent for room within the family's residence;</li> <li>(11) Foster care grants, payments or clothing allowance for children placed through child welfare services;</li> <li>(12) Financial assistance received for the care of a child living with an adult who is not the child's biological or adoptive parent;</li> <li>(13) Veterans pensions;</li> <li>(14) Pensions or annuities;</li> <li>(15) Inheritance;</li> <li>(16) Allowances for housing or automobiles provided as part of compensation;</li> <li>(17) Insurance or court settlements for lost wages or punitive damages;</li> <li>(18) Net proceeds from the sale of real property, stocks, or inherited property; or</li> <li>(19) Other enterprise for gain.</li> </ol>
Colorado	The definition of "income" includes gross taxable wages, unearned income, and in-kind income.
Connecticut	Countable income: Gross income less allowable deductions and excluded income; Earned income: Compensation for personal services, including, but not limited to wages, salaries, commissions, and bonuses.
Delaware	Any type of monetary payment that is of gain or benefit to a family. Some examples include wages, social security pension, child support, public assistance, etc

District of  
Columbia

Income, for the purposes of determining income eligibility, is the combined gross countable income of all family members living in the same household who are included for purposes of determining family size, taking into account any allowable deductions or irregular fluctuations in earning, and ensuring that temporary increases in income, including temporary increases that result in monthly income exceeding 85 percent of the DC median income (SMI), do not affect eligibility or parent share of cost. The exact amount of annual gross family income is compiled from all sources of income expected including:

(1) Countable income: the portion of the annual gross family income of the family that includes: (A) Gross salaries or wages of one or both parent(s) or guardian(s), including regularly received commissions, tips, and overtime (see discussion below); (B) Net income from self-employment (business expenses shall be deducted from gross receipts); (C) Other income of parent(s) or guardian(s) such as Social Security and Veterans Benefits; (D) Income of children receiving subsidized care such as child support or Social Security Income; (E) Unemployment Compensation; (F) Workers Compensation; (G) Alimony; and (H) The portion of an educational grant that is specifically designated for living expenses.

(2) Seasonal employment (for example income of an parent employed by a school system may be based on a 10-month calculation).

(3) Irregular fluctuations and overtime: Temporary increases in income shall not affect eligibility or family co-payments, including monthly income fluctuations that show temporary increases, which if considered in isolation, may incorrectly indicate that a family is above the threshold of 85 percent of SMI, when in actuality their annual income remains at or below the maximum income level allowable based on family size.

(4) Overtime. Overtime is countable as part of the applicant's income if it is worked on a regular basis. However, if the applicant declares that overtime is not regularly worked, the applicant is given the opportunity to provide proof through documentation.

(5) Exempt Income. The following income shall not be included in determining gross annual family income: (A) TANF benefits; (B) Supplemental Security Income (S.S.I.); (C) Lump sum child support payments; (D) In-kind income - something of value other than cash, (i.e. food stamps, free medical care or free or subsidized rent); (E) Low Income Energy Assistance; (F) Gifts; (G) Loans and grants for scholarships that do not allow their use for living costs; (H) Income of others in the household who do not have financial responsibility for the child; (I) Tax Refunds; (J) Subsidized adoption and foster care payments; (K) Stipends (such as for work experience programs); (L) Lump sum inheritance or insurance payments; (M) Capital gains; and (N) Assets such as real estate, bank accounts savings, stocks and bonds.

Florida	<p>“Family income” means the combined gross income, whether earned or unearned, that is derived from any source by all family or household members who are 18 years of age or older who are currently residing together in the same dwelling unit. The term does not include income earned by a currently enrolled high school student who, since attaining the age of 18 years, or a student with a disability who, since attaining the age of 22 years, has not terminated school enrollment or received a high school diploma, high school equivalency diploma, special diploma or certificate of high school completion. See s. 1002.81(8), F.S. Income does not include income earned by a teen parent residing in the same residence as a separate family, nor does income include food stamps, adoption subsidies, foster care payments, documented child support and alimony payments paid out of the home, federal nutrition programs, federal tax credits, state/territory tax credits, housing allotments, LIHEAP or energy assistance, military housing or other allotment/bonuses, federal housing assistance payments issued directly to a landlord or the associated utilities expense, scholarships, education loans, grants, income from work study, disaster relief or other forms of temporary assistance of families in a natural disaster areas, income of foster parents and court ordered relative and non-relative caregivers, independent living grant, lump sum settlement, money borrowed with an established repayment plan, one time only gifts, sale of personal assets, VISTA payments, Supplemental Security Income (excluded for children only).</p>
Georgia	<p>Income counted toward the maximum allowable income limit includes: wages or salary (gross income of all adults in the family unit), base pay for military personnel, net income from self-employment, unemployment compensation, worker’s compensation, alimony (regular and ongoing payments), court-ordered and direct child support payments (when regular and ongoing payments are received), veteran’s benefits, military allotments, capital gains, rental income (regular and ongoing payments), dividends (regular and ongoing payments), retirement/pension, commission, cash bonuses, and regular or lump sum lottery payments (CAPS Policy Manual 8.4.1).</p>
Guam	<p>“Income” means any benefit in cash which is available to an individual or is received as a result of current or past labor or services, business activities, interest in real or personal property; or as a contribution from persons, organizations, or assistance agencies; or monthly grants, such as TANF and Social Security. There are two types of income considered for eligibility: earned and unearned.</p> <p>The income of a non-parent caretaker will not be counted if the child is receiving child protective services; however, the caretaker’s income is counted if the caretaker needs child care for his or her own children in addition to the foster child.</p> <p>For teen parent families, the income of the teen’s parent(s) or guardian(s) is excluded in determining income for the purposes of eligibility for child care assistance if the teen parent and offspring resides with the teen’s parents, an adult relative or legal guardian and is attending school.</p>
Hawaii	<p>Monies received from wages, salaries, commissions, tips, and other sources. For a complete list of countable income, refer to administrative rule §17-798.3-10(b) Income considered in eligibility determination.</p>
Idaho	<p>All gross earned and unearned income is counted in determining eligibility and the child care benefit amount, unless specifically excluded. <b>(IDAPA 16.06.12.071)</b></p>

Illinois	All non-exempt income received by a family is included for the purpose of eligibility determination. Following is a list of non-exempt income: Gross base wages and salary, Net income from farm self-employment, Net income from non-farm self-employment, Dividends, interest, net rental income, and royalties, Pensions and annuities, Alimony, Child support received by the family, ongoing monthly adoption assistance payments from Illinois Department of Children & Family Services, Veterans pensions, Unemployment compensation, Worker's compensation, Public assistance and welfare payments, Social Security payments for all family members, including SSI and pensions, Survivor's benefits, permanent disability payments, and railroad retirement benefits from the federal government.
Indiana	A family's total income from all countable sources prior to taxes and deductions.
Iowa	The non-exempt monthly gross income of any person included in the family size is used in determining the family's income. The monthly gross income is the monthly sum of income received by a person from the following sources that are identified by the U.S. Census Bureau in computing the median income: · Alimony · Casino Profits · Child support · Dividends, interest on savings or bonds, income from estates or trusts, net rental income or royalties · Money, wages or salary · Net rental income or royalties · Net income from farm self-employment · Net income from non-farm self-employment · Pensions and annuities · Public assistance or welfare payments · Social Security · Strike pay · Supplemental Security Income · Permanent Disability Insurance (SSDI) · Railroad Retirement Insurance · Unemployment compensation · Workers compensation · Veterans benefits · Work Study · Cash Payments · Volunteer Service Organizations (i.e., VISTA, AmeriCorps)
Kansas	Income includes money received from such sources as wages, self-employment, property rentals, pensions, benefits and contributions. Kansas divides income into two types: earned and unearned income. Earned income is income which is received as wages, salary, or profit resulting from the performance of services, including managerial responsibilities, by the family. Unearned income is any income that is not earned and may be derived from benefits (unemployment compensation, Social Security, VA, etc.), pensions, contributions, and settlements. There are no income deductions used in determining eligibility for child care services.
Kentucky	The money received from statutory benefits, wages, self-employment, rental property, investments, business operations, etc.

Louisiana	<p><b>Income is defined as any type of payment that is of gain or benefit to a household. Income is either nonexempt or exempt from the budgeting process. Household income is defined as the gross earnings of 1) head of household; 2) head of household's legal spouse or non-legal spouse; 3) disabled adult parent who is unable to care for himself/herself and his/her child(ren) who are in need of care as verified by a doctor's statement or by worker determination; or 4) any minor unmarried parent (MUP) who is not legally emancipated and whose children are in need of subsidy care, with the exception of income from:</b></p> <ol style="list-style-type: none"> <li><b>1. Corporation for National and Community Service (CNCS);</b> <ol style="list-style-type: none"> <li><b>1. college work study; and</b></li> <li><b>2. disaster-related employment;</b></li> </ol> </li> <li><b>2. Gross earning include recurring unearned income of the following types for all household members:</b> <ol style="list-style-type: none"> <li><b>1. Social Security Administration benefits;</b></li> <li><b>2. supplemental security income;</b></li> <li><b>3. Veterans' Administration benefits;</b></li> <li><b>4. retirement benefits;</b></li> <li><b>5. disability benefits;</b></li> <li><b>6. child support or alimony;</b></li> <li><b>7. unemployment compensation benefits;</b></li> <li><b>8. adoption subsidy payments; and</b></li> <li><b>9. workers' compensation benefits</b></li> </ol> </li> </ol>
Maine	<p>Gross Income means the sum of all money, earned and unearned, already received, or reasonably anticipated to be received, by all Family members during the service eligibility period. Gross Income is calculated before deductions (such as income taxes, social security taxes, deferred compensation plans, insurance premiums, union dues, etc.) Gross Income does not include fringe benefits. Gross Income includes any Allowable Net Income realized by any member of the Family</p>
Maryland	<p>Gross income means the sum of earnings, prior to adjustments such as, but not limited to, pretax benefits and rental property depreciation, that are received by an individual for compensation of services rendered on a regular or recurrent basis. "Gross income" includes, but is not limited to: Wages; salary; self-employment; Commissions, tips, and bonuses; Dividends and interest; Social Security benefits, including disability and survivors' benefits; Pensions and annuities; Estate income; Military entitlements, bonuses, and allowances; Rental income; Unemployment and Workers' Compensation; and/or Alimony and child support.</p>

Massachusetts	<p>When determining financial eligibility, EEC considers relevant income as wages or salary (including overtime), social security benefits, alimony, child support, and public assistance. For earned income, EEC requires applicants to submit 4 out of the most recent 6 weekly pay stubs. If self-employed, including paid in cash, or an independent contractor, applicants must submit employment verification forms, including report of self-employment earnings, and copies of most recent federal tax returns. For unearned income, a parent may submit copies of award letters (i.e., social security benefits, unemployment compensation, worker's compensation, retirement benefits, etc.), copies of court orders, child support enforcement records or other agreements (i.e., alimony or child support), or may sign a self-declaration form. For in-kind earnings, self-declaration or other informal agreement may be submitted.</p>
Michigan	<p>Income means benefits or payments measured in money. Earned income means income received from another person or organization or from self-employment for duties that were performed for remuneration or profit. Unearned income means all income that is not earned income.</p>
Minnesota	<p>Minnesota Statutes 119B, Subd. 15 defines "Income" as earned or unearned income defined under 256P.01 and public assistance cash benefits, including the Minnesota family investment program, diversionary work program, work benefit, Minnesota supplemental aid, general assistance, refugee cash assistance, at-home infant child care subsidy payments, and child support and maintenance distributed to the family. Earned income defined under 256P.01 means cash or in-kind income earned through the receipt of wages, salary, commissions, bonuses, tips, gratuities, profit from employment activities, net profit from self-employment activities, payments made by an employer for regularly accrued vacation or sick leave, severance pay based on accrued leave time, payments from training programs at a rate at or greater than the state's minimum wage, royalties, honoraria, or other profit from activity that results from the client's work, service, effort, or labor. The income must be in return for, or as a result of, legal activity.</p> <p>Unearned income defined under 256P.01 means interest and dividends from investments and savings; capital gains as defined by the Internal Revenue Service from any sale of real property; proceeds from rent and contract for deed payments in excess of the principal and interest portion owed on property; income from trusts, excluding special needs and supplemental needs trusts; interest income from loans made by the participant or household; cash prizes and winnings; unemployment insurance income; retirement, survivors, and disability insurance payments; nonrecurring income over \$60 per quarter unless earmarked and used for the purpose for which it is intended; retirement benefits; cash assistance benefits; tribal per capita payments unless excluded by federal and state law; income and payments from service and rehabilitation programs that meet or exceed the state's minimum wage rate; income from members of the United States armed forces unless excluded from income taxes according to federal or state law; and spousal support. The following are deducted from income: funds used to pay for health insurance premiums for family members, and child or spousal support paid to or on behalf of a person or persons who live outside of the household. Minnesota published a <a href="#">memo</a> on 5/14/20 with specific guidance about COVID-19 emergency funding and income. The memo identified that federally funded stimulus payments provided under the CARES Act and state, tribal and local COVID-19 emergency funding sources are not counted income. The memo also identified that three new temporary federally funded unemployment compensation programs provided under the CARES Act are counted income.</p>



Mississippi	Income that is counted towards the maximum allowable income limit includes: wages or salary (gross income of all adults in the family unit), base pay for military personnel, net income from self-employment, unemployment compensation, worker's compensation, alimony (regular and ongoing payments), veteran's benefits, military allotments, capital gains, rental income (regular and ongoing payments), dividends(regular and ongoing payments), retirement/pension, commission, cash bonuses, and regular or lump sum lottery payments.
Missouri	The policy manual defines income as the Adjusted Gross Income – Gross income minus adjustments to income approved by the Division. Gross Income includes, but is not limited to, income from wages, salary, and income from selfemployment, commissions, tips, bonuses, dividends and interest, Social Security benefits, including disability and survivor benefits, pensions and annuities estate income, unemployment and worker’s compensation, and alimony and child support. 13 CSR 35-32.050.
Montana	Montana determines eligibility for the Best Beginnings Child Care Scholarship using the family's gross income. A family must include required household members and may include optional household members. Required household members include biological, adoptive, or step-parents of an intact family; a parent by common law marriage; a parent joined by a common child; an adult acting in loco parentis; minor siblings, age 17 and under; and a child receiving Temporary Assistance for Needy Families (TANF) cash benefits. Optional household members would be any person living in the household that is not a required household member. The gross income of all household members is used for the purposes of eligibility at initial determination. There are some income exclusions. Income exclusions may be based in part on the status of an individual in the household. For example, student loans or Low-Income Energy Assistance Payment (LIEAP) income are excluded from a household's total gross income.
Nebraska	Money, either earned (i.e. employment) or unearned (i.e. child support), by the recipient.
Nevada	Any type of payment which is a gain or benefit to the household.
New Hampshire	The total monthly monies received before taxes and other deductions
New Jersey	Income is defined as the amount of current gross income earned by all members of the family unit through the receipt of wages including overtime, tips, bonuses or commissions from activities in which members of the family unit are engaged as an employee and from self-employment. Unearned income such as social security, pensions, retirement, unemployment, worker’s compensation, 36.2% of child support, alimony and any other income required for federal and state tax reporting purposes is calculated in the income.

New Mexico	<p>The Lead Agency defines "Earned Income" as gross income received as wages from employment or as profit from self-employment. "Unearned Income" is defined as income in the form of benefits such as TANF, workmen's compensation, social security, supplemental security income; child support, pensions, contributions, gifts, loans, grants, and other income which does not meet the definition of earned income. "Household income" is defined as the household's gross monthly or annual average countable earned and unearned income, taking into account any fluctuation(s) of earnings, and will always be calculated in favor of eligibility. Household income does not include any earned and unearned income received by grandparents who are not legal guardians, and any legal dependents of the biological parents, stepparents, or legal guardians of the child(ren) for whom child care assistance is sought, living in the household.</p>
New York	<p>Income includes the sum of gross income received from the following sources:</p> <ul style="list-style-type: none"> <li>•Monthly wages or salary, i.e., total money earnings received for work performed as an employee, including wages, salary, Armed Forces pay, commissions, tips, piece-rate payments, and cash bonuses earned before deductions are made for taxes, bonds, pensions, union dues and similar purposes;</li> <li>•Net income for non-farm self-employment, i.e., gross receipts minus expenses from one's own business, professional enterprise, or partnership. Gross receipts include the value of all goods sold and services rendered. Expenses include costs of goods purchased, rent, heat, light, power, wages and salaries paid, business taxes (not personal income taxes) and similar costs. Depreciation, personal business and entertainment expenses, personal transportation, purchase of capital equipment, and payments on the principal of loans for capital assets or durable goods are not counted as expenses for the purpose of determining net income for self-employment for child care assistance. The value of salable merchandise consumed by the proprietors of retail stores is not included as part of net income;</li> <li>•Net income from farm self-employment, i.e., gross receipts minus operating expenses from the operation of a farm by a person on his own account, as owner, renter or sharecropper. Gross receipts include the value of all products sold, government crop loans, money received from the rental of farm equipment to others, the incidental receipts from the sale of wood, sand, gravel, and similar items. Operating expenses include cost of feed, fertilizer, seed and other farming supplies, cash wages paid to farm hands, cash rent, interest on farm building repairs, farm taxes (not state and federal income taxes) and similar expenses. Depreciation, personal business and entertainment expenses, personal transportation, purchase of capital equipment, and payments on the principal of loans for capital assets or durable goods are not counted as expenses for the purpose of determining net income for self-employment for child care assistance. The value of fuel, food or other farm products used for family living is not included as part of net income;</li> <li>•Social security benefits which include social security pensions and survivor benefits, and permanent disability insurance payments made by the Social Security Administration prior to deductions for medical insurance and railroad retirement checks from the U.S. government;</li> <li>•Dividends, interest (on savings or bonds) income from estates or trusts, net rental income or royalties, including dividends from stockholdings or membership in associations, interest on savings or bonds, periodic receipts from estates or trust funds, net income from rental of a house, store or other property to others, receipts from boarders or lodgers and net royalties;</li> <li>•Public assistance or welfare payments including public assistance payments such as family assistance, SSI (including State supplemental payments), and safety net assistance;</li> <li>•Pensions and annuities including pensions or retirement benefits paid to retired persons or their survivors by a former</li> </ul>

	<p>employer or by a union, either directly or through an insurance company, and periodic receipts from annuities or insurance;</p> <ul style="list-style-type: none"> <li>•Unemployment compensation, which means compensation received from government unemployment insurance agencies or private companies during periods of unemployment and any strike benefits received from union funds;</li> <li>•Workers' compensation, which means compensation received periodically from private or public insurance companies for injuries incurred at work. The cost of this insurance must have been paid by the employer and not by the individual;</li> <li>•Alimony;</li> <li>•Child support; and</li> <li>•Veterans' pensions, which means money paid periodically by the Veterans' Administration to disabled members of the Armed Forces or to survivors of deceased veterans, subsistence allowances paid to veterans for education and on-the-job training, as well as so-called "refunds" paid to ex-servicemen as GI insurance premiums.</li> </ul>
North Carolina	Income is defined as monetary resources, earned or unearned, received for labor, services, government or private benefits, or any money available to members of the income unit for their maintenance.
North Dakota	Income is the gain or benefit, earned or unearned, derived from labor, business, capital, or property which is received or is available to a determined Child Care Assistance unit for current maintenance.
Northern Mariana Islands	Gross income means any benefit in cash which is received by the individual as a result of current or past labor or services (before deductions), business activities, interest in real or personal property or as a contribution from persons, organizations, or assistance from agencies such as wages and salary. The following are not considered income: child support and/or SSI benefits as well as any money/support received as a result of a pandemic or emergency, such as stimulus funds.
Ohio	<p>The county agency shall use gross income for the purpose of determining child care income eligibility and family copayment, including gross earned income and gross unearned income. "Gross earned income" means the total amount of gross earnings received in a month by all of the employed individuals in the family including wages legally obligated to all members of the family but which are diverted to a third party. Gross earnings include payments received before taxes and other deductions by an individual for services performed as an employee, or by an individual who is self-employed.</p> <p>The following is counted as gross earned income for services performed as an employee:</p> <ol style="list-style-type: none"> <li>(1) Gross earnings received by an employee means wages, salary, back pay, bonuses and awards paid by employer, commissions, severance pay, payments from job corps, work training programs, on-the-job training programs, sick leave paid as wages, annual leave, holiday and vacation pay.</li> <li>(2) State temporary disability insurance and temporary workers' compensation payments are considered gross earnings when such payments meet all of the following conditions: (a) The payment is employer-funded.(b) The payment is made to an individual who remains employed during recuperation from a temporary illness or injury pending return to the job.(c) The payment is specifically characterized under state law as a temporary wage replacement.</li> </ol> <p>Gross self-employment earnings means the total profit from a business enterprise. The total profit from the self-employment business enterprise is determined by deducting the self-employment expenses, which are those expenses</p>

directly related to producing the goods or services, from the gross receipts, or by using a standard fifty percent deduction from gross self-employment. Personal business and/or entertainment expenses are not allowable deductions. Individuals who are self-employed and have no countable income shall provide written verification documenting how they are meeting basic living expenses, including but not limited to, food, housing, utilities and transportation.

For approved self-employment activities, the hours applied to the publicly funded childcare authorization shall be for no more hours than it would take an individual to earn the same amount of money working at the federal minimum wage. This shall be calculated by using the self-employed individual's determined or estimated monthly gross earnings divided by 4.3 weeks in a month and again by the federal hourly minimum wage. The resulting number, rounded up to the nearest whole number, is the maximum weekly hours which can be applied to the authorization for the self-employment approved activity.

Income excluded from gross earned income.

- (1) The gross earnings of a minor child in the family who is a full-time student as defined by the school unless the minor is a parent.
- (2) Alimony or child support payments paid by a family member. The amount paid, up to the amount ordered, is excluded.
- (3) The verified amount which is being garnished from the income.
- (4) Earnings received under the Domestic Volunteer Service Act of 1973 for participation in the "AmeriCorps Vista" program.
- (5) Federal work study income as referenced in rule 5101:4-4-13 of the Administrative Code.
- (6) All income, including in kind benefits, excluded under the supplemental nutrition assistance program (SNAP) regulations, as set forth in rule 5101:4-4-13 of the Administrative Code.
- (7) Any other income amounts that federal statutes or regulations require be excluded.
- (8) Any income earned by a person receiving supplemental security income (SSI).

Individuals who are unemployed or on unpaid leave from employment shall provide written verification documenting how they are meeting basic living expenses including but not limited to food, housing, utilities, and transportation.

"Gross unearned income" means the total amount of unearned income that is received in the month by all members of the family. Unearned income is income that is not gross earned income or is not gross earned income from self-employment, as defined in this rule. Unearned income includes cash contributions received by the family from absent caretakers, persons, organizations or assistance agencies, social security administration (SSA) disability, death or retirement benefits, and child support payments.

Income excluded from gross unearned income.

- (1) SSI payments.
- (2) Federal, state or local foster care maintenance payments.
- (3) Federal, state or local adoption assistance payments.
- (4) Kinship permanency incentive (KPI) payments made in accordance with the requirements of rule 5101:2-40-04 of the Administrative Code.

- (5) Payments made with county funds to increase the amount of cash assistance an assistance group receives in accordance with section 5107.03 of the Revised Code.
- (6) Child support payments paid by a family member for a child outside the family. The amount paid, up to the amount ordered, is excluded.
- (7) Alimony paid pursuant to a court order.
- (8) Contributions for shared living arrangements. These include cash payments received by a family from an individual who is not a family member but who resides in the household and shares responsibility for the household expenses through an informal arrangement. The cash payment given to the family is not available to the family because the payment represents the non-family member's share of the household expenses.
- (9) Bona fide loans from any source, including rural housing loans made by federal housing administration (FHA).
- (10) Experimental housing allowance program payments made under annual contributions on contracts entered into prior to January 1975, under section 23 of the U.S. Housing Act of 1937.
- (11) HUD community development block grant funds paid under Title I of the Housing and Community Development Act of 1974 (public law 93-383).
- (12) Home energy assistance support and maintenance paid in cash or in-kind, public laws 97-377 (December 21, 1982), 97-424 (January 6, 1983), and 98-21 (April 20, 1983).
- (13) Income tax refunds received by any of the family members.
- (14) The verified amount which is being garnished from the income.
- (15) Earned income tax credit (EITC) payments when received as part of an income tax refund.
- (16) The value of surplus commodities donated by the department of agriculture.
- (17) Benefits received under Title VII, nutrition program for the elderly, Older Americans Act of 1965, Public Law 93-150.
- (18) Retroactive payments made as a result of a state hearing.
- (19) Escrow accounts established or credited as the direct result of the assistance group's involvement in family self-sufficiency on or after May 15, 1992.
- (20) Ohio works first (OWF) cash payment for support services, pursuant to section 5107.66 of the Revised Code.
- (21) Prevention, retention and contingency (PRC) payments.
- (22) The value of SNAP allotments.
- (23) Money received in the form of a nonrecurring lump sum payment including, but not limited to, retroactive lump sum social security, SSI or pension benefits; retroactive lumpsum insurance settlements; retroactive lump sum payment of child support arrearage; refunds of security deposits on rental property or utilities; publicly funded child care over payment reimbursements; or PRC payments not defined as cash assistance.
- (24) Income excluded under the SNAP regulations, as set forth in rule 5101:4-4-13 of the Administrative Code, unless the income is included under the provisions of this rule.
- (25) Any other income amounts that federal statutes or regulations require be excluded.

Oklahoma	Earned income means total money earned by a person through the receipt of wages, salary, commission, or profit from activities in which the person is engaged as self- employed or as an employee. Unearned income is income a person receives for which the person does not put forth any daily, physical labor. For eligibility determination, the Lead Agency uses adjusted monthly income, which is defined as gross earned plus unearned income, minus legally-binding child support paid, rounded to the nearest dollar.
Oregon	Countable income includes all income received by the immediate family members living in the household except earned income of children and foster care/guardianship payments. Gross income received through self-employment is allowed a 50% deduction or full cost deduction (when verified).
Pennsylvania	For non-TANF families, income includes earned income including gross wages from work, cash and in-kind payments received by an individual in exchange for services, and income from self-employment; unearned income including cash and contributions received by an individual for which the individual does not provide a service; and unearned benefits received periodically by an individual, such as unemployment compensation, worker's compensation, or retirement benefits. For TANF families, income is the total (gross) countable monies available to a budget group on a monthly basis as defined by TANF eligibility requirements.
Puerto Rico	Income is defined as the salaries earned because of employment of the parents or caregiver and/or their respective spouses. Such family income must not exceed eighty-five percent (85%) of a Puerto Rico median family for a family unit of equal size. In the case of self-employment the annual income. The income considered for the determination of eligibility will be the net income generated because of the employment of parents or caretaker and their spouses, except in cases where there are marital capitulation agreements; mandatory deductions from the gross salary shall not be considered as income. In the case of persons whose source of income is self-employment, filed income tax returns shall be required, from which the taxable net income will be identified. During the declaration of an emergency issued by the Governor because of the COVID19 Pandemic, income earned by employees such as first responders and essential workers will not be taken into consideration. This will only apply if emergency CARES, CRRSA and ARP funds are made available.

Rhode Island	<p>“Income” means any money, goods or services available to the financial unit used to calculate eligibility for the CCAP. For the purposes of the CCAP, countable income includes, but is not limited to, any of the following: Monetary compensation for services, including gross wages, salary, commissions, and any work-based fees, stipends, tips or bonuses; Adjusted gross income from self-employment; Social Security Benefits - Retirement, Survivors and Disability Insurance (RSDI); Supplemental Security Income (SSI); Dividends or interest on savings or bonds; Income from estates or trusts; Adjusted Gross Rental Income; Adjusted Gross Room and Board Income; Public assistance payments; Unemployment Compensation; Temporary Disability Insurance (TDI); Workers' Compensation; Government civilian employee or military retirement, Private pensions or annuities; Cash payouts for waiving employer sponsored health insurance; Adoption subsidies; Alimony; Child support payments; Regular contributions from persons not living in the household; Royalties; Strike Benefits; Trade Readjustment Allowance; VA Compensation Payments, VA Educational Benefits, Spousal/Dependent Allowances and Military Allotments; Payments to volunteers under AmeriCorps (payments to volunteers under AmeriCorps/VISTA are excluded); Foster care payments made by the Rhode Island Department of Children, Youth and Families (when the child is included in the assistance unit); In-Kind Assistance; Non-citizen Sponsor Income (includes income of the sponsor and sponsor's spouse), refer to the Rhode Island Works Rules and Regulations regarding Deeming provisions and Indigent Exceptions.</p>
South Carolina	<p>The source and amount of current gross income earned by all adults in the countable family unit in the home through the receipt of wages, tips, salaries and/or commissions, piece rate payments, cash bonuses earned, and armed services pay, including uniform and living allowances.</p>
South Dakota	<p>There are two categories of income, earned and unearned. Earned income is defined as income in cash or in-kind, before deductions, earned by an applicant or other adult household member counted for work purposes. Countable earned income includes wages, salaries, commissions, tips, work study, military pay, vacation or sick pay, rental income from a boarder, and self-employment. Unearned income is money received for which a person does not perform a service. Countable unearned income includes pensions, Veterans Administration (VA) benefits, alimony, child support received, retirement, Social Security, interest income, periodic and lease income, worker compensation, unemployment benefits, TANF, inheritance, and monetary gifts. Non-countable income includes tax refunds, Earned Income Tax Credit, work expense reimbursement, and Supplemental Security Income (SSI)-Disability.</p>
Tennessee	<p>The State Agency defines the following sources as countable income:</p> <ul style="list-style-type: none"> <li>·Gross Wages or Salary</li> <li>·Net Income from Non-Farm Self-Employment</li> <li>·Net Income from Farm Self-Employment</li> <li>·Social Security</li> <li>·Dividends, Interest, Income from Estates or Trusts, from Net Rental Income or Royalties Public Assistance or Welfare Payments, Pensions and Annuities, Unemployment Compensation, Worker's Compensation, Alimony, Child Support, Veterans Pension, Education and Training Stipends received directly by the student or to cover living expenses.</li> </ul>
Texas	<p>For the purposes of determining family income and assessing the parent share of cost, TWC Child Care Services rule <a href="#">§809.44</a> directs Boards to ensure that family income is calculated in accordance with Commission guidelines that:</p>

- take into account irregular fluctuations in earnings; and
- ensure that temporary increases in income, including temporary increases that result in monthly income exceeding 85 percent of the state median income, do not affect eligibility or parent share of cost.

A family's monthly income is the gross income before adjustments are made for taxes, which can also be referred to as gross earnings or gross pay. ([Child Care Services Guide, D-106.a](#)) Unless otherwise required by federal or state law, a family's monthly income for purposes of determining eligibility and the parent share of cost includes all income sources except those listed below. In accordance with Commission income-calculation guidelines, Boards must ensure that the following sources are excluded from family income:

- (1) Medicare, Medicaid, SNAP benefits, school meals, and housing assistance
- (2) Monthly monetary allowances provided to or for children of Vietnam veterans born with certain birth defects
- (3) Needs-based educational scholarships, grants, and loans, including financial assistance under Title IV of the Higher Education Act, Pell Grants, Federal Supplemental Educational Opportunity grants, Federal Work Study Program, PLUS, Stafford Loans, and Perkins loans
- (4) Individual Development Account (IDA) withdrawals for the purchase of a home, medical expenses, or educational expenses
- (5) Onetime cash payments, including tax refunds, Earned Income Tax Credit (EITC) and Advanced EITC, onetime insurance payments, gifts, and lump-sum inheritances
- (6) VISTA and AmeriCorps living allowances and stipends
- (7) Noncash or in-kind benefits such as employer-paid fringe benefits, food, or housing received in lieu of wages
- (8) Foster care payments and adoption assistance
- (9) Special military pay or allowances, including subsistence allowances, housing allowances, family separation allowances, or special allowances for duty subject to hostile fire or imminent danger
- (10) Income from a child in the household between 14 and 19 years of age who is attending school
- (11) Early withdrawals from qualified retirement accounts specified as hardship withdrawals as classified by the Internal Revenue Service (IRS)
- (12) Unemployment compensation
- (13) Child support payments
- (14) Cash assistance payments, including TANF, Supplemental Security Income (SSI), Refugee Cash Assistance, general assistance, emergency assistance, and general relief
- (15) Onetime income received in lieu of TANF cash assistance
- (16) Income earned by a veteran while on active military duty and certain other veterans' benefits, such as compensation for service-connected death, vocational rehabilitation, and education assistance
- (17) Regular payments from Social Security, such as the Old-Age and Survivors Insurance Trust Fund
- (18) Lump-sum payments received as assets in the sale of a house, in which the assets are to be reinvested in the purchase of a new home (consistent with IRS guidance)
- (19) Payments received as the result of an automobile accident insurance settlement that are being applied to the repair or replacement of an automobile
- (20) Any income sources specifically excluded by federal law or regulation (TWC rule [§809.44](#))



Utah	For purposes of eligibility, income includes both earned and unearned income. The Lead Agency defines earned income as compensation in cash for which a person performs a service. Unearned income is defined as compensation in cash where no service has been performed. The DWS Eligibility Manual, Section 400 addresses which sources of earned and unearned income are counted and which types are exempt.
Vermont	<p>The total (gross) monthly income received by a child and her/his primary caregivers which is derived from any source except for the following noted below:</p> <ul style="list-style-type: none"> <li>• Income received from the sale of real or personal property (house, car, boat, stocks, bonds) unless the primary caretaker(s) was engaged in the business of selling such property, in which case the net proceeds will be counted as income from self-employment.</li> <li>• Withdrawal from bank deposits</li> <li>• Money borrowed</li> <li>• Tax refunds including Renters Rebate and Earned Income Credit</li> <li>• Public assistance income (such as income received in DCF Economic Services Division's financial assistance programs, including but not limited to 3SquaresVT, Medicaid, Fuel Assistance, Reach Up, Reach First, and Postsecondary education program payments, General Assistance and Emergency Assistance)</li> <li>• Value of USDA donated foods and home produce consumed by the family</li> <li>• Wage, salary, or other earned income of a person under age 18 living in the household who is not the primary caretaker</li> <li>• Loans, grants, scholarships, or work-study income received for training or education</li> <li>• Incentive payment for training or education or other programs or activities authorized in a Reach Up plan or other case plan</li> <li>• Supplemental Security Income (SSI)</li> <li>• Child Support paid out on a regular basis to another household</li> <li>• Adoption assistance payments under Title IV-E of the Adoption Assistance and Child Welfare Act of 1980 or under the State's Adoptions Assistance Program</li> <li>• Payments to foster parent(s) from DCF's Family Services Division to subsidize the care and maintenance of a foster child</li> <li>• Self-employment business expenses other than depreciation charges, Section 179, per current IRS procedures</li> <li>• Money received from federal and or sponsored programs as stipends</li> <li>• Military pay for household members deployed on active duty</li> </ul>
Virgin Islands	<p>For purposes of eligibility, countable income includes all earned and unearned income received by the custodial parent/legal guardian and other adults considered part of the household.</p> <p>Earned income includes wages and net income from self-employment.</p> <p>Unearned income includes but is not limited to pensions, VA benefits, alimony, child support, retirement, social security income, interest income, worker's compensation, unemployment and TANF.</p>

Virginia	Income is the gross countable income of the individuals living in the household who are included in the family unit. Earnings and unearned income from sources such as Social Security and child support for children in the family unit are included. The following individuals living in the household are included in the family unit; Parents, including: biological parents (including the father of a child born out of wedlock, if paternity can be established), adoptive parents, step-parents, legal guardian(s), adults standing in loco parentis for children under age 18 (including the spouse of an adult standing in loco parentis), or persons cohabitating with the natural or adoptive parent of a child under the age of 19 and all the parents' children under the age of 18.
Washington	DCYF counts income as money an applicant or consumer earns or receives him or herself, or on behalf of the child from: (1) a TANF grant, except when the grant is for the first three consecutive calendar months after the consumer starts a new job. The first calendar month is the month in which he or she starts working; (2) child support received; (3) supplemental security income (SSI); (4) social security income; (5) refugee assistance payments; (6) payments from the Veterans' Administration, disability payments, or payments from labor and industries (L&I); (7) unemployment compensation, except as required under RCW 43.216.137; (8) other types of income not listed in WAC 110-15-0070; (9) taxable income from VISTA, AmeriCorps, and Washington Service Corps programs; (10) taxable gross wages from employment or self-employment; (11) corporate compensation received by or on behalf of the consumer, such as rent, living expenses, or transportation expenses; (12) lump sums as money a consumer receives from a one-time payment such as back child support, an inheritance, or gambling winnings; and (13) income for the sale of property as follows: (a) if a consumer sold the property before application, DSHS considers the proceeds an asset and does not count as income; (b) if a consumer sold the property in the month the consumer applies or during the consumer's eligibility period, DCYF counts it as a lump sum payment as described in WAC 110-15-0065(2); (c) property does not include small personal items such as furniture, clothes, and jewelry.
West Virginia	The total amount of money, prior to deductions, received or earned monthly by the members of the family.
Wisconsin	Money, wages or salary, adjusted income from self-employment, Social Security, dividends, interest on savings or bonds, income from estates or trusts, net rental income or royalties, Supplemental Security Income (SSI), pensions and annuities, unemployment insurance, worker's compensation, alimony and other maintenance payments, and veteran pensions. Child and family support payments when combined exceed \$1,250 per month; the employer-paid portion of income earned through Wisconsin Works (W-2, Wisconsin's TANF program), Trial Employment Match Program (TEMP), Transform Milwaukee Jobs (TMJ), and Transitional Jobs (TJ) employment positions; private educational loans, scholarships, and grants that are not used for tuition and books.
Wyoming	Money received from any source but not any item specified in policy as an asset.