



The Chalmers Center
For Economic Development

A Handbook on Asset Limitations in State & Federal Assistance Programs

PUBLIC ASSISTANCE

If you are working with households that are truly financially strapped, it is likely that a number of your participants will be using some sort of public benefit program. It is ideal that households would be able to subsist without this assistance. IDAs can help them accomplish financial independence. However, the transition off public assistance, while desirable, is not always easy. This issue is unfortunately complicated, and should thus be handled with great care.

First, you need to know what programs your target group uses. You can find this information in two ways. First, ask those on your Task Force who are representatives of the target group. Second, make sure your intake budgets for potential participants include these categories as income to report. The federal assistance programs you need to consider are listed below along with the most recent asset limitation information to date.

Supplemental Security Income*

The federal government sets SSI income and asset limits. Therefore, requirements are more clear-cut than some other programs. As of 2011, the current asset restrictions were \$2,000 for an individual and \$3,000 for couples. Exemptions from these asset limits included such things as:

- The house you live in and the land immediately around it
- Your clothing, household and personal effects
- Wedding and engagement rings
- Your car, if worth less than \$4,500 wholesale, outfitted especially for your disability, or if used for work or medical appointments.
- Burial plots for you and members of your immediate family.
- Up to \$1500 in monies to be used for your burial may not count if they are in an irrevocable burial account.
- Items used by persons who have disabilities in order to work or earn extra income may not count. (For example: computer, wheelchair)

*See <http://www.ssa.gov/ssi/text-resources-ussi.htm> for more information.



The Chalmers Center

For Economic Development

Supplemental Nutrition Assistance Program (SNAP) (Formerly the Federal Food Stamp Program)*

Like SSI, the asset limits for SNAP are set by the federal government, and are therefore fairly easy to find and interpret. As of the end of 2011, asset limits for SNAP are \$2,000 per household or \$3,000 if the household contains an elderly or disabled individual. However, many states effectively raise or eliminate the asset test for some or all recipients by using “categorical eligibility.”

Both Tennessee and Georgia follow the federal SNAP guidelines for vehicles as assets. Vehicles are not included if they are:

- Used over 50% of the time for income generating purposes;
- Annually producing income consistent with their fair market value;
- Needed for long distance travel for work (other than daily commute);
- Used as the home;
- Needed to transport a physically disabled household member;
- Needed to carry most of the household’s fuel or water; or
- Worth no more than \$1,500, after any loans are paid off.

Any other vehicles are counted by their fair market value over \$4,650

*Sources: <http://www.snap-step1.usda.gov/fns/tool/interview/components/assetPop.jsp>
http://www.snap-step1.usda.gov/fns/tool/tutorial/vehicle_states_chart/states_chart.html#**

Medicaid

The federal and state governments set asset limits for Medicaid. Generally, states are required to extend these benefits to all people on federal income maintenance programs. Beyond this, eligibility requirements are up to state discretion. This means that the way assets are counted from state to state may vary.

As of 2011, the current asset restrictions for Medicaid in Georgia were \$2,000 for individual and \$3,000 for couples. However, for families with severe disabilities or special situations, the limits may be higher. See the Georgia Department of Health website for more specific scenarios.

http://dch.georgia.gov/00/article/0,2086,31446711_31945377_31944881,00.html

Most of the TennCare (Medicaid) programs in Tennessee also have a \$2,000 individual/\$3,000 couple limit. Again, different scenarios may raise the limits higher, so check the fine print on the state website if you are working with a family receiving benefits due to extreme medical difficulties. <http://www.tn.gov/tenncare/mem-categories.html#SSI>



The Chalmers Center

For Economic Development

Temporary Assistance for Needy Families (TANF)

Asset limits for TANF are set by individual states. Asset qualifications for all fifty states may be found at <http://www.urban.org/uploadedpdf/412381-Welfare-Rules-Databook.pdf>. You will see that some advocacy has been done to pass state legislation to make it easier for families on TANF to participate in IDA programs.

In Georgia, the asset limit for TANF is \$1,000, but some assets are not included in this figure. Vehicles worth \$1,500 are exempt; but vehicles valued at up to \$4,650 are exempt if used for travel to work, and school. (Vehicles used more than 50% of the time to produce income or as a dwelling are not counted at all.) Funds in an IDA account up to \$5,000 are also excluded *if* the asset funds are for post-secondary education or training, purchase of a first home, or capitalization of a small business.

In Tennessee, the asset limit for TANF is \$2,000, but some assets are not included in this figure. Vehicles worth up to a fair-market value of \$4,600 are exempt regardless of their use. Funds in an IDA account up to \$5,000 are also excluded *if* the asset funds are for post-secondary education or training, purchase of a first home, capitalization of a small business, or transportation.