

## Definition of Income

- A. **Income:** Income means Cash Receipts earned and/or received by the applicant before taxes during applicable tax year(s) **but not** the Income Exclusions listed below in **Section C. Gross Income is to be used, not Net Income.**
- B. **CASH RECEIPTS:** Cash Receipts include the following:
1. Money, wages and salaries before any deductions;
  2. Net receipts from non-farm or farm self-employment (receipts from a person's own business or from an owned or rented farm after deductions for business or farm expenses);
  3. Regular payments from social security, railroad retirement, unemployment compensation, strike benefits from union funds, worker's compensation, veteran's payments, training stipends, alimony, and military family allotments;
  4. Private pensions, government employee pensions (including military retirement pay), and regular insurance or annuity payments;
  5. Dividends and/or interest;
  6. Net rental income and net royalties;
  7. Periodic receipts from estates or trusts; and
  8. Net gambling or lottery winnings.
- C. **INCOME EXCLUSIONS:** The following Cash Receipts **are not** considered sources of Income for the purposes of determining applicant eligibility:
1. Capital gains;
  2. Any assets drawn down as withdrawals from a bank;
  3. Money received from the sale of a property, house, or car;
  4. One-time payments from a welfare agency to a family or person who is in temporary financial difficulty;
  5. Tax refunds;
  6. Gifts, loans, or lump-sum inheritances;
  7. College scholarships;
  8. One-time insurance payments, or compensation for injury;
  9. Non-cash benefits, such as the employer-paid or union-paid portion of health insurance;
  10. Employee fringe benefits, food or housing received in lieu of wages;
  11. The value of food and fuel produced and consumed on farms;
  12. The imputed value of rent from owner-occupied non-farm or farm housing;
  13. Depreciation for farm or business assets;
  14. Federal non-cash benefit programs such as Medicare, Medicaid, Food Stamps, school lunches, and housing assistance;

15. Combat zone pay to the military;
16. Child support, as defined below in **Section E**;
17. Reverse mortgages; and
18. Payments for care of Foster Children.