

February 28, 2025

GENERAL LETTER NO. 7-E-125

ISSUED BY: Bureau of Financial, Food, and Work Supports
Division of Community Access and Eligibility

SUBJECT: Employees' Manual, Title 7, Chapter E, **SNAP Income**, 35 and 36, revised.

Summary

This chapter is revised to remove requirement to verify shelter and utility costs for a deductible expense.

Effective Date

Upon receipt.

Material Superseded

Remove the following pages from Employees' Manual, Title 7, Chapter E, and destroy them:

<u>Page</u>	<u>Date</u>
35 and 36	September 27, 2024

Additional Information

Refer questions about this general letter to your area income maintenance administrator.

**Workforce
Innovation and
Opportunity Act**
(Earned or Excluded)
7 CFR 273.9(b)(1)(iii)
and 373.9(b)(1)(v)
DPL 00-04 Att 6

The Workforce Innovation and Opportunity Act (WIOA) was formerly known as the Workforce Investment Act (WIA) and the Job Training Partnership Act (JTPA). Payments include:

- On-the-job training earnings (*Earned*)
Count WIOA on-the-job training earnings received as earned income. These earnings include monies paid by WIOA and monies paid by the employer. WIOA sets the definition of these programs.

EXCEPTION: Exclude WIOA on-the-job-training earnings of household members under age 19 who are under the parental control of an adult household member. Apply this exclusion regardless of school attendance or enrollment.
- Other WIOA allowances (*Excluded*)
Exclude all payments for living allowances, education, or other purposes that participants get for participating in WIOA programs.

Deductions

This section deals with the expenses a household can deduct from its countable income. Allow deductions only for the household expenses listed in this section.

The following sections explain:

- [Deduction verification requirements](#)
- [Handling deductions](#)
- [Child and dependent care deduction](#)
- [Child support payment deduction](#)
- [Earned income deduction](#)
- [Medical expense deduction](#)
- [Shelter deduction](#)
- [Standard deduction](#)
- [Standard utility allowance](#)

Deduction Verification Requirements

Legal reference: 7 CFR 273.2(f), 441 IAC 65.22(i)

Households must verify deductible expenses in order to receive the deduction. These include:

- Child and dependent care expenses
- Child support payments

- Medical expenses for elderly and disabled persons
- Shelter expenses for unoccupied residences

Accept reasonable verification provided by the household to verify the expenses. Verify these expenses:

- At application,
- At recertification, unless unchanged from previously verified,
- When a change is reported.

Verification of deductible expenses is only **required** at the times listed above, however, it may be necessary to request updated verification if the deduction has reportedly remained unchanged for multiple recertifications. Use prudent person to determine if it is necessary to request updated verification and document the reason for your decision.

If verification of a deductible expense is requested and the household fails to provide it, determine eligibility without allowing the household a deduction.

Handling Deductions

Legal reference: 7 CFR 273.9(d), 273.10(d)(1)(i) and (ii), 273.11(d)

The household does not actually have to make a payment to get a deduction, but it must be responsible for the expense. NOTE: The household must actually make child support payments to get a deduction for that expense.

If the household shares deductible expenses with nonmandatory household members, deduct only the household's share. (See [7-C, Nonmandatory Members](#).) If the deductible expense cannot be separated, prorate the expense evenly among the people responsible for or paying the expense. Deduct only the eligible household's pro rata share.

EXCEPTION: If a household member shares utility expenses with a non-household member, allow the household the entire utility standard.

When a household has an ineligible member, see [7-1, Income and Deductions of Ineligible Household Members](#) for treatment of deductible expenses.

Do **not** allow a deduction for expenses that are covered by reimbursements or vendor payments that are excluded as income. This includes Medicare, Medicaid, and other insurance payments. Vendor payments for shelter and utility expenses that are excluded from income are not allowed as deductions.