

**441—65.29 (234) Income.**

**65.29(1) Self-employment income.** “Self-employment income” means the net profit from self-employment.

*a. Determination of net profit.* “Net profit from self-employment” means gross self-employment income less:

- (1) A standard amount of 40 percent, as allowed by the state’s family investment (TANF) program, or
- (2) At the household’s request, actual allowable expenses as specified in federal regulations at 7 CFR 273.11 as amended to January 1, 2011.

*b. Uneven proration of self-employment income.* Once a household with self-employment income is determined eligible, the household has the following options for computation of the benefit level:

- (1) Using the same monthly self-employment income amount which was used to determine eligibility, or
- (2) Unevenly prorating the household’s annual self-employment income over the period for which the household’s self-employment income was averaged to more closely approximate the time when the income is actually received. If this option is chosen, the self-employment income assigned in any month together with other income and deductions at the time of certification cannot result in the household’s exceeding the maximum monthly net income eligibility standards for the household’s size.

**65.29(2) Job insurance benefits.** When the department of human services uses information provided by the department of workforce development to verify job insurance benefits, the benefits shall be considered received the second day after the date that the check was mailed. When the second day falls on a Sunday or federal legal holiday, the time shall be extended to the next mail delivery day.

When the client notifies the agency that the amount of job insurance benefits used is incorrect, the client shall be allowed to verify the discrepancy. A benefit adjustment shall be made when indicated. The client must report the discrepancy before the benefit month or within ten days of the date on the Notice of Decision, Form 470-0485, 470-0486, or 470-0486(S), applicable to the benefit month, whichever is later, in order to receive corrected benefits.

**65.29(3) Exclusion of income from 2000 census employment.** Rescinded IAB 9/4/02, effective 10/1/02.

**65.29(4) Interest income.** Prorate interest income by dividing the amount anticipated during the certification period by the number of months in the certification period.

**65.29(5) Social security plans for achieving self-support (PASS).** Notwithstanding anything to the contrary in these rules or regulations, exclude income amounts necessary for fulfillment of a plan for achieving self-support (PASS) under Title XVI of the Social Security Act.

**65.29(6) Student income.** In determining eligibility, the department shall exclude educational income, including any educational loans on which payment is deferred, grants, scholarships, fellowships, veterans’ educational benefits, and the like excluded under Title XIX of the Social Security Act (42 U.S.C. 1396 et seq.).

*a.* Notwithstanding anything to the contrary in these rules or regulations, the department shall exclude educational income based on amounts earmarked by the institution, school, program, or other grantor as made available for the specific costs of tuition, mandatory fees, books, supplies, transportation and miscellaneous personal expenses (other than living expenses).

*b.* If the institution, school, program, or other grantor does not earmark amounts made available for the allowable costs involved, students shall receive an exclusion from educational income for educational assistance verified by the student as used for the allowable costs involved. Students can also verify the allowable costs involved when amounts earmarked are less than amounts that would be excluded by a strict earmarking policy.

c. For the purpose of this rule, mandatory fees include the rental or purchase of equipment, materials and supplies related to the course of study involved.

**65.29(7)** *Elementary and high school student income.* Rescinded IAB 5/2/01, effective 6/1/01.

**65.29(8)** *Vendor payments.* Rescinded IAB 5/2/01, effective 6/1/01.

**65.29(9)** *HUD or FmHA utility reimbursement.* Rescinded IAB 5/2/01, effective 6/1/01.

**65.29(10)** *Welfare reform and regular household honorarium income.* All moneys paid to a food assistance household in connection with the welfare reform demonstration longitudinal study or focus groups shall be exempted.

**65.29(11)** *Income of ineligible aliens.* The department shall use all but a pro-rata share of ineligible aliens' income and deductible expenses to determine eligibility and benefits of any remaining household members.

**65.29(12)** *Unearned income.* Unearned income is any income in cash that is not gained by labor or service. When taxes are withheld from unearned income, the amount considered will be the net income after the withholding of taxes (Federal Insurance Contribution Act, state and federal income taxes). Net unearned income shall be determined by deducting reasonable income-producing costs from the gross unearned income. Money left after this deduction shall be considered gross income available to the household.

[ARC 8500B, IAB 2/10/10, effective 3/1/10; ARC 0148C, IAB 6/13/12, effective 8/1/12]