

ATTACHMENT B: INCLUDABLE AND EXCLUDABLE INCOME

Workforce Innovation and Opportunity Act Policies and Procedures

Current Lower Living Standard Income Level by Family Size will be found in [WIN 0056, Change 11](#)

SAMPLES OF INCLUDABLE AND EXCLUDABLE INCOME

Income requirements are computed by recording the total reportable family income for six months prior to the date the application is signed and then multiplying by two (2). This is the total annual family income. The following are income types that fall into either includable or excludable income for purposes of WIOA eligibility.

NOTE: If the payment does not meet one of the excludable criteria, then the payment will be includable income.

Includable Income Sources

- A. Money, wages, and salaries before any deductions.
- B. Unemployment compensation.
- C. Child support.
- D. Alimony.
- E. Old Age and Survivors Insurance (OASI).
- F. Net receipts from non-farm self-employment (recipients from a person's own unincorporated business, professional enterprise, or partnership after deductions for business expense).
- G. Net receipts from farm self-employment (receipts from a farm which one operates as an owner, renter, or sharecropper, after deductions for farm operating expenses).
- H. Regular payments from railroad retirement, strike benefits from union funds, and worker's compensation (not lump sum) training stipends.
- I. Military family allotments or other regular support from an absent family member or someone not living in the household.
- J. Pensions whether private, government employee (including military retirement pay), law enforcement firefighters (LEF) disability income.
- K. Regular insurance or annuity payment.
- L. College or university grants, fellowships, and assistantships, state work-study, (not needs based scholarships): the key is whether or not the money is a loan to be paid back. If it is to be paid back, then it is a loan, and excludable income, if not, then it is includable.
- M. Dividends, interest, net rental income, net royalties, and periodic receipts from estates or trusts.
- N. Net gambling or lottery winnings.

- O. L&I paid on a monthly basis.
- P. Bureau of Indian Affairs policy regarding Per Capita payments to Indians made pursuant to P.L.98.64 that under \$2,000.00 are exempt from consideration as a resource of income when determining eligibility for all federally assisted programs.

Excludable Income Sources

- A. Public assistance payments (including TANF, SSI, RCA, GA, emergency assistancemoney payments, and general relief money payments).
- B. Foster childcare payments.
- C. Financial assistance under Title IV of the Higher Education Act, i.e. Pell grants, federal supplemental educational opportunity grants and federal work study (Staffordand Perkins loans, like any other kind of loans, are debt and not income). Needs- based scholarship assistance.
- D. Allowances, earnings, and payments (except On-the-Job Training income) to individuals participating in WIOA.
- E. Capital gains.
- F. Any assets drawn down as withdrawals from a bank, the sale of property, a house ora car.
- G. Tax refund, gifts, loans, lump-sum inheritance, one-time insurance payments, orcompensation for injury (lump sum).
- H. Non-cash benefits such as employer fringe benefits, food or housing received in lieu ofwages, Medicare, Medicaid, food stamps, school meals, and housing assistance.
- I. Income earned while on active military duty and other benefits specified at 38 U.S.C.4213 items (1) and (3) section 4213 requires WIOA to disregard pay or allowances received by any person while serving on active duty.

Note: This should be ex-service personnel who did not receive veteran 1 status, i.e., discharged other than honorable status. Section 4213 says to disregard benefits received by ex-service personnel who have veteran status. These benefits can only bereceived if the person has not been discharged under honorable, general, unsuitable,etc. The six specific benefits are:

1. CH 11 - compensation for service connected with disability or death.
2. CH 13 - dependency and indemnity compensation for service-connected death.
3. CH 31 - vocational rehabilitation.
4. CH 34 - veteran's education assistance.
5. CH 35 - war orphans and widows education assistance; and
6. CH 36 - administration of education.

If payment is a one-time lump sum, it is generally excludable. If it is in monthly installments, then it is includable.

- J. Trade Readjustment Allowance (TRA).
- K. Workforce Training Assistance.

L. Job Corp.

REFERENCES:

- WorkSource Information Notice (WIN) 0056, Change 11
- Department of Health and Human Services – Annual update of the HHS Poverty Guidelines
- US Department of Labor Lower Living Standard Income Level Guidelines
- Workforce Innovation and Opportunity Act of 2014, Section 3 (36)