

DEPARTMENT OF SOCIAL SERVICES

744 P Street, Sacramento, CA 95814

(916) 445-6907



March 28, 1979

ALL-COUNTY INFORMATION NOTICE I-32-79**TO:** ALL COUNTY WELFARE DIRECTORS**SUBJECT:** FOOD STAMP PROGRAM**REFERENCE:** REGIONAL WORKSHOP FOLLOW-UP

Attached for your information is a partial list of questions and responses resulting from the regional food stamp workshops held in January and February on the new regulations. Questions involving issues not yet resolved will be responded to in a second follow-up letter as soon as possible.

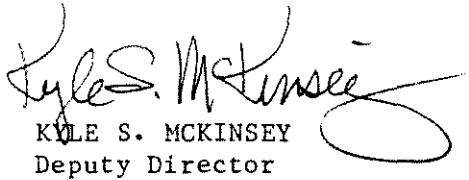
Two other items pertinent to implementation are also included:

1. The gross income table to be used in determining the eligibility of the student tax dependent's taxpayer household as referenced in 63-406.22 (Attachment I); and
2. The state utility standard is \$57. This standard shall be used beginning April 1, 1979 in calculating shelter costs of those households which incur certain utility costs separate and apart from their rent or mortgage payments as referenced in 63-502.351. For those counties which have already begun certifications and desk reviews using the county's own standard utility allowance, conversion to the state standard shall occur at recertification or the next budget recomputation. For cases which have not yet been certified or desk reviewed in those counties, the state standard should be used as soon as possible.

Failure to have a telephone will not preclude use of the full utility allowance. The standard telephone allowance (63-502.352) will apply to households which are not entitled to claim the overall standard, but which, nonetheless, incur separate telephone expenses.

Additionally, several charts developed in the course of the workshops or contributed by counties are attached. You may find these useful in your training efforts.

Should you have any questions regarding this material please contact your Food Stamp Operations Bureau analyst at (916) 322-5475.



KYLE S. MCKINSEY
Deputy Director

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cc: CWDA

63-200 Program Requirements

1. 63-202.53 Training

How should the county select persons from the public to be invited to county training sessions?

Counties should maintain lists of various community groups to contact for inclusion in training sessions. Local outreach agencies will be a good resource for this information and counties are encouraged to **work with** these agencies in developing potential participant lists.

63-300.301 Application Processing

1. 63-300.2 Federal regulations permit applications by mixed nonassistance households to be made on the joint PA/FS application but this is not addressed in state regulations. Are counties prohibited from using the joint application for mixed nonassistance households?

No, when the joint application is available it may be used for both PA and mixed NA.

2. 63-300.514 Must social security numbers be verified?

The applicant's statement of what the social security number is shall be acceptable verification. If there is no social security number then proof of application for a social security number must be provided.

3. 63-300.59 How long is verification good? For example, must tax dependency status be reaffirmed at each recertification?

Unchanged information, other than income and utility expenses, shall not be verified at recertification unless the information is questionable.

4. 63-301.3 and 63-503.1 Would a denial notice be required if the applicants indicate they do not want benefits for the month of application?

Eligibility and benefit levels shall be based on circumstances for the entire calendar month in which the household filed its application. A household may be ineligible for the month of application but eligible in subsequent months. The same notice shall be used to inform the household of the denial and approval actions. For purposes of uniformity and equity each application shall be considered a request for eligibility for the calendar month in which it is filed.

5. 63-300.3 If the applicant does not bring in Part II of the application should a full denial be made?

Submission of Part I starts the 30-day processing period. Part I also instructs the applicant to file Part II either at the same time or at the time of the interview. If the applicant fails to appear for two scheduled interviews and has made no subsequent contact with the CWD a full denial shall be made within 30 days.

6. 63-301.411c If verification is requested on the day of application, can a full denial be made after 10 days if verification is not provided?

The CWD must allow households sufficient time to provide verification. Sufficient time is defined as at least 10 days. The 10 day period is a minimum, not a maximum time period. If verification is requested on the same day the application is filed a denial notice cannot be made until the 30th day.

7. 63-301.411a What is an "offer of assistance"?

An offer of assistance may be a written or verbal statement by the EW which advises the applicant that the agency will assist the applicant in obtaining required documentary evidence. The assistance itself will vary from case to case depending on the physical, emotional, educational and other capabilities of the applicant. At the minimum the EW should explain the requirements of the program in understandable terms and advise the applicants of their responsibilities. At a maximum the EW shall make a collateral contact or a home visit whenever required documentary evidence cannot be obtained (63-300.55).

8. 63-301.4 If a student provides verification of non-tax dependency status in the second thirty days is the student entitled to month of application benefits?

Households retain entitlement to month of application benefits if the delay in processing is caused by the agency. If the student has had at least 10 days to supply requested verification and has not done so the student loses entitlement to month of application benefits. Note that per 63-406.3, the eligibility of the remaining household members shall be determined for the month of application.

9. 63-301.411 Would an information sheet constitute notice of verification needed?

The request for verification means specific items pertinent to that applicant household. If the information sheet is individualized such that particular items are checked then the information sheet can be considered a request for verification.

10. 63-301.534 How do you handle late determinations of eligibility for expedited service?

If a household files an application, is interviewed and subsequently experiences a change in circumstances (i.e., loss of job and anticipated income) before eligibility and benefit level is computed the household shall have a late determination of eligibility for expedited service. The processing time for delivery of benefits is calculated from the date of discovery. Subsequent to certification, loss of \$50 or more in gross income shall be handled as a reported change.

11. 63-301.545 Is a Notice of Action needed for a denial of expedited services?

A written notice is not required if a household is determined ineligible for expedited services. At the time of application each household is informed of its right to a hearing. Those households which contest the denial of expedited service shall be offered an agency conference (63-804.4). Counties may develop a notice regarding the agency conference.

63-402 Household Concept

1. 63-402.1 Can children 18 and older living with their parents be separate households?

Yes, regulations only prohibit children under 18 years of age under the parental control of a member of the household from being separate households.

2. 63-402.1 How is parental control defined?

A child under 18 years of age is to be considered under the parental control of the adult with whom he/she resides unless the child is or has been married.

3. 63-402.1 How is spouse defined?

As noted in 63-103.23 a spouse may be an individual either legally married or represented to the community as married. If spouses separate the spousal relationship will not be considered for food stamp purposes when the spouses live separate and apart from each other.

63-403 Citizenship and Alien Status

1. 63-403.32 Is a birth certificate of a child(ren) acceptable verification for parents' alien status?

No. Birth certificates of child(ren) of aliens are not an acceptable form of verification.

2. 63-403.323 Applicant claims he/she is not a citizen or that he/she is illegal in order to have their income and resources disregarded.

o What recourse does a county have if they suspect the applicant's status is otherwise?

o If the CWD subsequently finds out the applicant is either a citizen or a legal alien, is that fraud?

Regulations do not address "verification of noncitizen or illegal status" for an applicant who states they are ineligible for the program and, therefore, have their income and resources disregarded from the household. The CWD must certify the remaining members of the household if they meet the eligibility criteria minus the noncitizen/illegal. If the CWD subsequently finds that the certified household misrepresented facts, fraud proceedings should be initiated against the household. In addition, fraud proceedings may be initiated under Division 22 against the person who misrepresented the facts, if he or she is not a household member.

3. 63-403 Is the INS 181A forms acceptable verification of alien status?

Yes.

63-406 Student Tax Dependency

1. 63-406.2 Do tax dependency regulations apply to PA households?

Yes, for those PA households who are not certified for and receiving food stamps at the time the student applies. If the taxpayer household is a PA household receiving food stamps, the student tax dependent is eligible. In any event, if the EW has any question the student tax report must be sent to the taxpayer household.

2. 63-406.2 Will the Temp 1038 or equivalent still be used? If not, when do we send letter to parents?

The Temp 1038 is being revised for use under the new regulations; however, until such time as the revised form is available, the counties should use the Temp 1038 and make modifications manually. (A sample of a modified Temp 1038 is attached.)

3. 63-406.13 If a student tax dependent receives support in the form of vendor payments is this type of support considered in determining tax dependency?

Yes, in determining tax dependency follow the IRS rules, not the food stamp definition of income.

4. 63-406. Must tax dependency be verified if otherwise eligible to expedited service?

63-301.541 states that the only mandatory verification for expedited service is identity and residency; all other verification required by 63-300.5 shall be postponed unless it can be done in sufficient time to meet the expedited service processing standards.

63-407 Work Registration

1. 63-407.29 Do students 18 and over and going to high school still have to register for work?

High school students enrolled at least one-half time do not have to register for work during the school year, regardless of age. However, registration for full-time work during recesses of 30 days or more applies to all students 18 or older whether high school or college level.

2. 63-407.11 If a household is certified PA and subject to PA work registration, must they be reregistered after six months?

No, as long as PA/GA work registration is current. If a recipient is exempt under PA/GA requirements, but not exempt under food stamp requirements, then the WR renewal must occur every six months.

3. 63-407.26 In some instances, registering for UIB does not mean registering for work; what kind of verification could a county use? Document from EDD?

For UIB applicants, a "seek-work plan" is given to each person. There are several different seek-work plans depending on the applicant's skill and/or job experience, and the availability of such jobs in the labor market in that particular area. The seek-work plans amount to "instructions" on how that applicant shall comply with EDD's determination how they can best seek employment. These instructions are stapled on the inside of the UIB Handbook (DE 1275). Applicants may show this handbook to the EW for work registration verification.

4. 63-407.11 If a household is denied AFDC because of failure to fill out an MA 5-95, is this a food stamp denial?

No. 63-407.11 specifies that a household which fails to comply with PA/GA work registration procedures merely loses its work registration exemption under 63-407.2, but then must register according to food stamp requirements.

5. 63-407.29 How does EDD designate if a client is registered for 20 hours or 30 hours?

The documentation of "availability" for work is made under "No. 48 Additional Information" on the work registration form. There is no specific designation whether a client is registered for 20 or 30 hours of work a week.

6. 63-407.52 Two months disqualification for student. Can the student sit out the two months disqualification and be home free--in other words, not have to comply with the work registration requirements after two months disqualification?

No. 63-407.8 specifies that a household may apply again to establish eligibility after a two month disqualification. However, in establishing eligibility that student is again subject to work registration as a basic eligibility criteria.

7. Are individuals enrolled in correspondence courses considered "students" in determining work exemptions?

No. Correspondence courses are not acceptable curriculum in identifying students exempt from work registration.

8. 63-407.29 Students on vacation for 30 days or more--do they lose their title as a student, and then are considered a regular recipient?

Yes.

Would they then disqualify the whole household for two months if they fail to comply with the work registration requirement?

Yes.

9. 63-407.291(c) How to determine if a student is providing over one-half of total household support--earned income vs. grants?

A student who is head of a household of two or more persons that provides over one-half of that household's total support regardless of source shall be exempt from work registration.

10. 63-407.292 Must a student return to the CWD office to register for full-time work during recesses and vacations that exceed 30 days?

No. The initial completion of the work registration form should contain information (Item #48 on the DE 8435) regarding the student's class hours, availability for work, and school breaks in excess of 30 days. In this way the student is considered available for full-time work unless the information on the application specifies otherwise.

11. 63-407.23 WIN student 18-21 years old do not have to register for work during summer vacation or other breaks; they are exempted as "Code 02". Would we require them to register during those breaks in excess of 30 days?

Yes, WIN students will be required to register for full-time work during breaks in excess of 30 days as opposed to #11 above, who initially registered for 20 and 30 hours.

63-501 Resources

1. 63-501.523 Can a one-person household have two vehicles exempt from equity valuation (one for household use and one for employment)?

Yes. 63-501.523 specifies how equity-exempt vehicles are determined.

2. 63-501.3 Is a vehicle considered an inaccessible resource if it is licensed in the household's name but is not in their possession (e.g., separated spouse has possession)?

Vehicles that are licensed in the household's name shall not be considered inaccessible merely because the household claims they do not have possession of the vehicle. The household must be able to show evidence to the CWD that the vehicle is completely inaccessible before it can be excluded as a resource pursuant to 63-501.3(h).

3. 63-501.2

- a. If a vehicle is licensed in the name of a client and the separated spouse and the client has possession of the car, is its full value considered a resource to the household?

- b. Does it make any difference if the registration reads "Mr. and Mrs." or "Mr. or Mrs"?

- a. Resources owned jointly by different households shall be considered available in their entirety to each household unless it can be demonstrated by the applicant household that such resource is inaccessible. If the household can demonstrate that it has access to only a portion, then the value of that portion shall be counted toward the household's resource level.

- b. The registration of a vehicle regarding Mr. and Mrs. vs. Mr. or Mrs. does make a difference. Only one signature is needed to sell the vehicle if it is registered with an "or"; however, both must sign if the registration reads "and".

4. 63-501.3 Home and lot excluded resource; what about a duplex on the same property?

If the duplex is rented out, 63-501.3(d) exempts property producing income consistent with its fair market value; 63-501.3(e) exempts rental homes if it is for the purpose of self-employment. If the duplex is not rented out, it should be counted as a resource at its equity value pursuant to 63-501.12. If the duplex is rented out but does not produce income consistent with its fair market value, count as resource at equity value.

5. 63-501.3 What is "near" fair market value? Can you give a percentage, like within 5% of FMV?

If the property is being leased for a return that is comparable or "reasonably" comparable to other property in the area for similar purposes, it would be considered as producing income consistent with its fair market value. This section also specifies how to make this determination. Establishing percentages or guidelines that would be accurate and equitable would require a complete series of guidelines for all kinds of income-producing property since there is a great variance on the profit margin and would require regular reviews; therefore, we will not be providing guidelines.

6. 63-501.12 Does an encumbrance mean principal and interest?

Yes.

7. 63-501.11 How are trust deeds treated?

Trust deeds shall be considered exempt liquid resources provided income is commensurate with FMV pursuant to 63-501.3. If sold, it becomes a resource.

8. 63-501.521 For the purpose of identifying totally exempt vehicles, what is the definition of "long distance travel"?

- a. Does it have to be out of town?
- b. Can it be intermittent out of town?
- c. Can it be local, but have high mileage?

a. Yes.

b. Yes.

- c. No. If a vehicle has high mileage locally, that is not considered "long distance travel" per se; however, examine vehicle under 63-501.521(a) or (b) to determine whether it is totally exempt for being an income-producing vehicle.

9. 63-501.3(f) How do we determine if installment contracts are producing income consistent with their fair market value? Is the full payment made to the household considered income for food stamp purposes or is only the interest part of the payment treated as nonexempt income?

Generally, a sales contract would be producing income consistent with its fair market value if payments are being made in accordance with the terms of the contract. Unless the payments are not being made or there is some reason to doubt that a contract is a legitimate business arrangement, it is not necessary to determine whether the contract is producing income consistent with its fair market value. If the payments are not being made, or there is a question of legitimacy of the business contract, then the CWD shall make an individual determination as to whether that resource can continue to be excluded.

The amount of the payment minus acquisition costs shall be treated as income to the household.

10. 63-501.523c Would a car that is used to commute to college be exempt from the equity evaluation?

Education is considered to be preparatory to employment which is provided by an "institution of higher education" as defined in 63-102.15. This would basically be an institution at the post-high school level. Therefore, a car used to commute to college would be exempt from the equity evaluation.

11. 63-501.521(a) States the entire value of a vehicle is exempt if it is used primarily (over 50% of time) for income-producing purposes. Is the "50% of time" based on clock-driving time, actual clock time, or mileage?

Examine on an individual basis according to major endeavor client/household is engaged in for income purposes. In the case of a vehicle, mileage would apply. Accept client's/household's statement; if questionable, ask for further documentation.

12. 63-501.3 If a household has timber on the lot surrounding the home, is the timber considered income-producing or is it totally exempt because it is on the home and lot?

If the timber is the household's source of income and it annually produces income consistent with its fair market value, it would be exempt as a resource pursuant to 63-501.3(d). If the timber is not used as the household's income source, it would be exempt as part of the home and lot pursuant to 63-501.3(a).

13. 63-501.3(d) What does "annually producing income consistent with its fair market value" mean?

Section 63-501.3(d) specifies that if property produces income or a return comparable to other property in the area leased for similar purposes, it would be considered as producing income consistent with its fair market value. This section also specifies instructions to make the determination.

14. 63-501.51 In using the Blue Book, how should variances in body types, engine sizes, etc., be handled?

Use the body type and engine size that has the lowest value.

63-502 Income, Deductions and Exclusions

1. 63-502.2(a)3 Is a GA payment to a landlord considered a vendor payment?

No, such payment is not a vendor payment if legally obligated to the household; it shall be counted as income.

2. 63-502.11 GA Workfare: The CWD does not always know in advance if a GA recipient will be assigned to a "work project" or not. Should the money be considered earned income or unearned income?

Reasonable certainty does not exist here; therefore, it should be considered unearned income if it is probable that GA won't have an open spot on the work crew. However, if a spot on the work crew becomes available for the recipient and the recipient accepts it, the income should be considered earned.

3. 63-502.34 What are the limits on shelter cost for home and 200 acres?

The shelter deduction alone, or in combination with the dependent care deduction shall not exceed \$80.

4. 63-502 Treatment of a scholarship to attend a trade school if considered "post high school".

63-502.124 scholarships in excess of tuition and mandatory fees shall be counted as unearned income. Tuition and mandatory fees are excluded from income pursuant to 63-502.2(c).

5. 63-502 Capitol gains--are they earned or unearned income?

Capital gains are figured in a household's gross self-employment income and the 20% earned income deduction is taken on that amount; therefore, capital gains are earned income (63-503.512). However, the amount to be considered income is the capital gain less acquisition costs.

6. 63-502 Is work study considered or included under 63-502.124, Unearned Income, i.e., allow tuition exclusion from work study?

No. Work study monies shall be treated as earned income for only the amount in excess of tuition and mandatory fees. The 20% earned income deduction shall be applied to that same amount.

7. 63-502.2(c) Do educational loans on which payment is "deferred" include personal loans from friends and relatives or only loans from lending institutions?

Educational loans on which payment is deferred shall include loans from all sources.

8. 63-502.2(a)3(A) Is Chapter 13 or Bankruptcy considered a garnishment of wages?

No.

9. 63-502.2(a) Are disability insurance payments considered vendor payments?

Disability insurance payments made directly to a household's creditor for household expenses (i.e., house and car payments) shall be considered a vendor payment and excluded as income pursuant to 63-502.2(a).

63-504 Household Certification

1. 63-504.12 If a household has applied for public assistance and food stamps simultaneously and has been certified for food stamps prior to the public assistance determination, how long would the NA certification period be and what happens upon approval of PA?

When households are certified as nonassistance households the regular certification period guidelines should apply. The fact that a household anticipates receipt of a PA check should not be used to assign a shorter certification period. For example, if the household would otherwise normally be certified for three months but it expects to receive a PA check in the second month, it should still be certified for three months.

If the amount or the date of receipt of the initial PA payment cannot be anticipated at the time of the food stamp eligibility determination, the PA payment shall be handled as a change in circumstances. When PA is approved the household should be reclassified as a PA household and the certification period should be extended to expire no later than the month following the month in which the PA redetermination is scheduled.

2. 63-504.321 What will the state's position be with respect to "cancel and rewrite procedures" under the new provisions?

Because of the elimination of the purchase requirement, the fact that only one ATP per month will be issued for normal issuances, and the new regulations regarding supplementary ATPs, "cancel and rewrite" procedures should no longer be necessary to reflect changes in household circumstances.

Per Section 63-504.321, supplementary ATP (in either the current or the next month) or an increase in the next month's allotment will be used based on the type of change and the date the change was reported.

63-600 Coupon Issuance and Replacement

1. 63-600 When a recipient is certified back to the month of application, how should the first month's benefits be issued?

Each county can develop its own procedures for issuing the prior month's allotment. Two separate ATPs issued in the second month or one ATP for a double allotment are both acceptable. The required ATP reconciliation process and reporting mandates should both be considered prior to choosing the means of issuance.

2. 63-603.21 In counties that continue to use ATPs in their mail issuance system, is it necessary to have a signed designation from the recipient before coupons can be mailed? Would counties be authorized to mail coupons to recipients that have simply mailed their ATPs back to the county?

Per Section 63-603.21, the county must provide the household a means to request their coupons by mail. The household can sign a separate document requesting coupon mail issuance or sign a space on the ATP card designating a request for coupon mail issuance, and then return the completed ATP card to the county.

3. 63-605.19 and 63-605.2 ATP/Coupon Replacement - Will replacement procedures under the new regulations still apply to situations where food is lost?

The provisions in the new regulations outline procedures for the replacement of coupons and ATPs lost, stolen or destroyed after receipt by the household. However, the new regulations do not allow the replacement of food, lost, stolen or destroyed.

63-800 Corrective Actions

1. 63-805 Restoration of lost benefits. Will the DFA 402 Report (Monthly Report on Food Stamp Benefits Authorized Restored) be required?

Effective with the implementation of the reform regulations, the DFA 402 will no longer be required.

2. 63-801.25 From what point in time are claim determinations to be suspended for three years?

The three year suspense period required in Section 63-801.25 will begin at the point when the county is able to determine that collection action should be suspended. Section 63-801.24 provides the criteria to be followed in suspending collection activity.

3. 63-801.223 Is the offsetting of claims against lost benefits a required procedure, or is it the county's option to offset when possible?

Manual Section 63-801.223 states that the county shall offset the amount of the claim against any amounts which have not yet been restored to the household. Thus, the offsetting of claims against lost benefits is a required procedure.

GROSS INCOME ELIGIBILITY TABLES - STUDENT TAX DEPENDENCY (63-406.22)

Instructions: to determine if the taxpayer household would meet the net income eligibility limits compare the gross income figure of the household to the gross income amounts for that household size using the following table. If the gross income figure of the household exceeds the appropriate amount, the student tax dependent shall be considered ineligible.

<u>Taxpayer HH Size</u>	<u>Maximum Gross Income</u>
1	\$528
2	638
3	749
4	859
5	969
6	1080
7	1190
8	1300
9	1411
10	1523
11	1634
12	1745
13	1856
14	1968
15	2079
16	2190
17	2301
18	2413
19	2524
20	2635

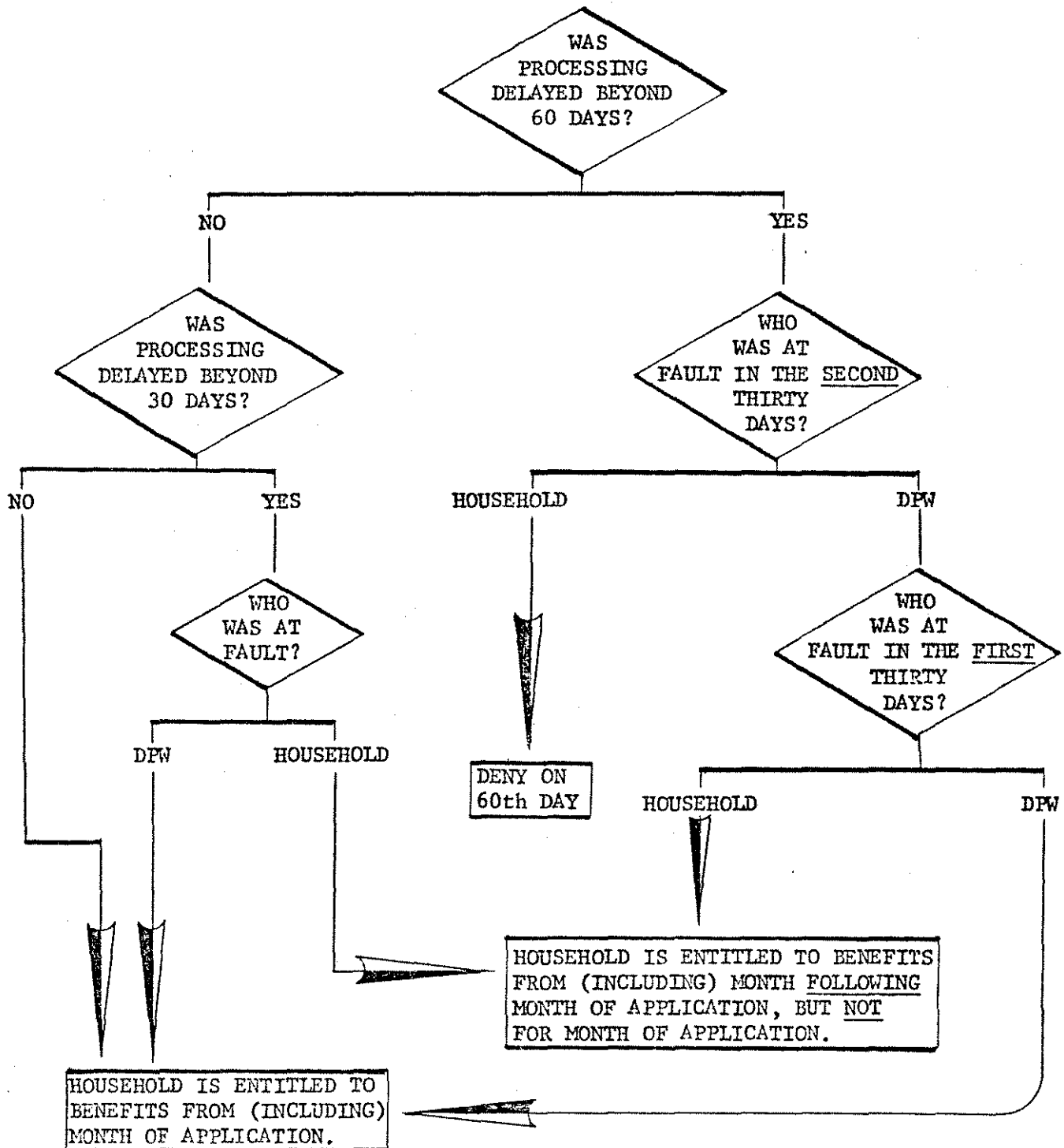
TREATMENT OF INCOME, DEDUCTIONS AND
RESOURCES OF NONHOUSEHOLD

63-300.514 Non disclosure Soc. Sec. #	Count all income and resources, allow deductions
63-402.2 Roomers, boarders, live-in attendants	May apply as separate households
63-403.312 Unverified Citizen	Two month Cert. Pending, then disregard income and resources prorate shared expenses
63-407.5 Work Reg. Failure	Entire H.H. is ineligible for 2 months
63-406.23 Ineligible Tax Dependent	Income and resources not considered available to household, prorate shared expenses.
63-501.63 Transfer of Resources	Entire H.H. is ineligible, time depends on \$ amount transferred
63-503.54 Disqualified Student/Fraud	Resources counted totally, Income and deductions prorated, count all but individuals' share
63-503.55 Inelig. Aliens, SSI/SSP	Income/Resources exempt, prorate shared expenses

FOOD STAMPS

ENTITLEMENT WHEN PROCESSING IS DELAYED

THIS CHART ASSUMES THE HOUSEHOLD TO BE ELIGIBLE. NO BENEFITS WILL BE ISSUED FOR A MONTH IN WHICH THE HOUSEHOLD WAS INELIGIBLE, REGARDLESS OF PROCESSING DELAYS.



DETERMINING VALUE OF LICENSED VEHICLES

Step 1	Step 2	Step 3
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Exempt If: Determine Fair Market Value Determine Equity* Value, If Not Exempt for the Following Reasons:

- | | | |
|--|---|---|
| 1. Income producing (over 50%) | 1. Use "blue book" for wholesale basic value | 1. Exempt under Step 1 |
| 2. Necessary to employment other than daily commuting, e.g., travelling salesman | 2. If above cannot be used: household verification newspaper ad tax assessment other reliable sources | 2. One car, regardless of use |
| 3. Necessary for subsistence hunting and fishing | | 3. Used to accept or continue employment |
| 4. Household home | | 4. Used to seek or attend training or education preparatory to employment |

IF NONE OF THE ABOVE
GO TO STEP 2

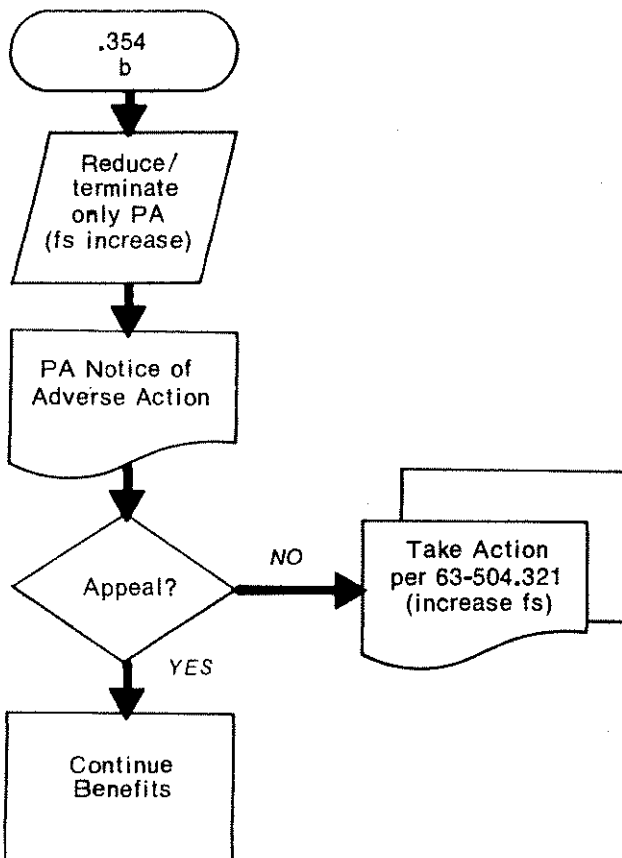
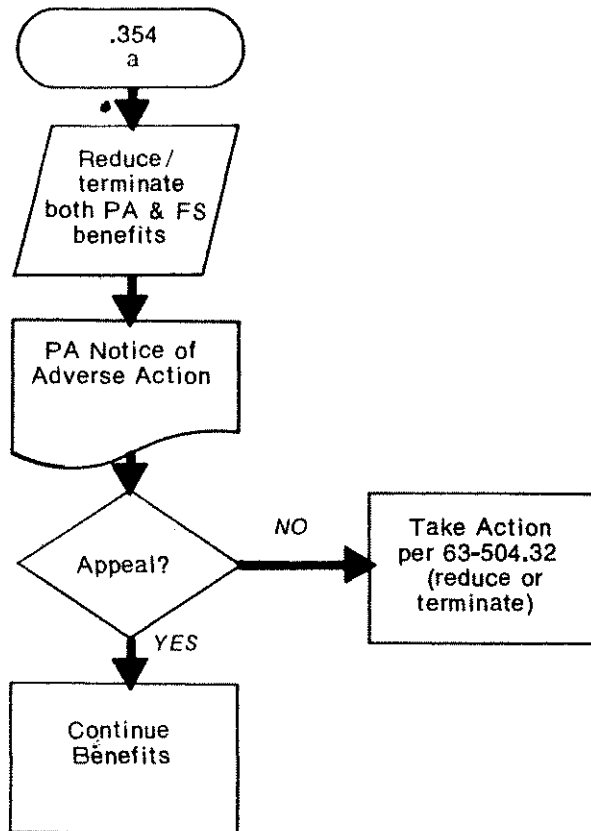
COUNT ONLY THE EXCESS OVER
\$4500 FOR EACH VEHICLE, THEN
GO TO STEP 3

IF THE FAIR MARKET VALUE AND THE
EQUITY VALUE ARE DETERMINED FOR ANY
ONE VEHICLE, ONLY THE GREATER OF
THE TWO AMOUNTS SHALL BE COUNTED
TOWARD THE HOUSEHOLD'S RESOURCE LIMITS

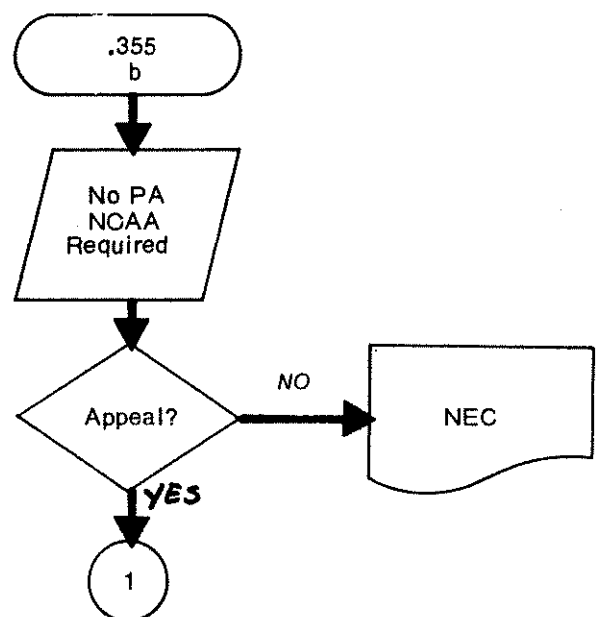
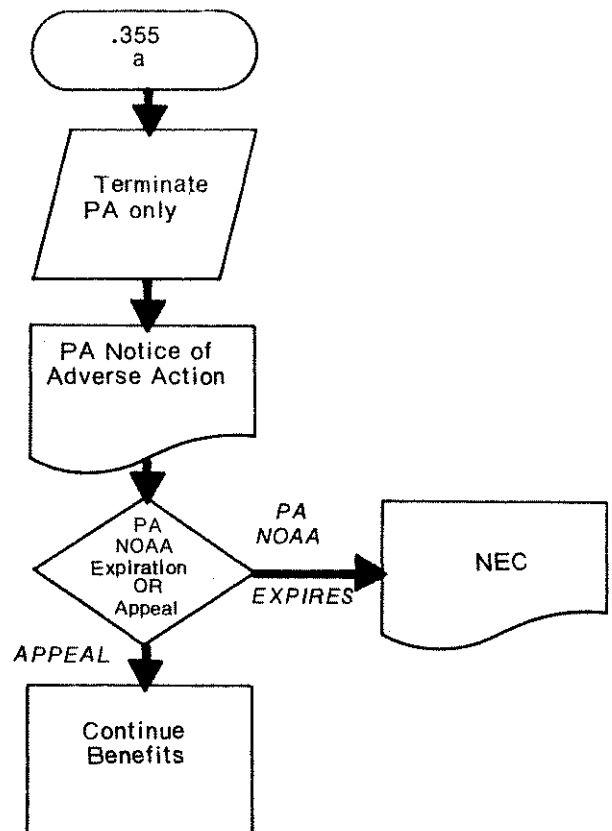
* Equity value equals FMV less encumbrances.

65-504
PA (AFDC) HHs

Sufficient Information



Insufficient Information



NOTE: 1 refers to .355 (a)

FOOD STAMP PROGRAM
IMPORTANT NOTICE TO APPLICANT HOUSEHOLDS CONTAINING A STUDENT

Present law requires a student who is (1) 18 years of age or older and (2) who is enrolled at least halftime in an institution of higher education, to meet the federal tax dependency eligibility criteria in addition to other eligibility criteria in order to qualify for Food Stamp Program participation.

In order for us to determine if you meet the tax dependency criteria, it is necessary that you complete the attached federally required form (TEMP 1038). The following is applicable to the processing of this form:

1. It may be necessary to contact your parents or guardian by a questionnaire (Form DFA ^{377.8}) for additional verifications; see instructions and explanation on back of Form TEMP 1038.
2. If your parent(s) or guardian do not return the questionnaire sent to them within 30 days from the date of your Food Stamp Application, your application must be denied in accordance with provisions in Food Stamp Manual Sections 63-~~XXXX~~ and 63-~~XXXX~~.

406.31 301.1
3. If your application is denied on the basis of the information provided by your parents, or guardian, you have a right to appeal through the fair hearing process. Should you demonstrate through the fair hearing process that you are not a properly claimed tax dependent, you will be certified for food stamp participation, provided that you are otherwise eligible.

Please return the completed form promptly to the food stamp certification office so that your application can be processed within the required 30 days.

If you have any questions please contact me.

Eligibility Worker

Telephone Number

FOOD STAMP PROGRAM
TAX DEPENDENCY STATEMENT FOR STUDENT APPLICANT HOUSEHOLDS

Name of Student

Name of Head of Household
(if same as student, enter "same")

1. ^{Could} ~~be~~ you a properly claimed federal tax dependent of another household for the ~~the~~ ^{Current} calendar year?
2. Do you expect to be a properly claimed federal tax dependent of another household for the current calendar year? (To be a properly claimed tax dependent of another household, that household must be providing and intend to continue providing over half of your support during the current calendar year, January 1—December 31).
3. Are you being claimed currently by another household as a specific payroll tax withholding deduction?

4. Is the taxpayer household currently certified to participate in XXXXXX the Food Stamp Program?

If you answered "yes" indicate [redacted] county and state where the benefits are being received and the name under which the benefits are received.

IF YOU ANSWERED "NO" OR "UNKNOWN" TO QUESTION NO. 4, YOU MUST ANSWER QUESTION NO. 5.

5. If the taxpayer household is not currently certified in [REDACTED] the above program listed in question No. 4, is it your opinion that the household would be eligible for food stamps based on its income and resources?
- | | | |
|--|--|--|
| | | |
|--|--|--|
6. If you have answered "unknown" to any question, or "yes" to questions 1, 2 or 3, you must provide the name and address of your parent(s) or guardian (taxpayer household) in space below. If the information provided by you on a "yes" response to No. 4 is adequate, this may expedite your certification. Failure to provide the complete name and address of your parents is grounds for immediate denial of your application, under provisions of California Food Stamp Manual Section 63- [REDACTED] 505.1.

Name of Parent or Guardian

Address

Telephone Number

I certify that this statement has been examined by me (or read to me) and that the information given is true and correct to the best of my knowledge and belief. I understand the penalties for making a false statement.

Penalties for fraud: The State and Federal law provides penalties including a fine, imprisonment or both for persons found guilty of obtaining food stamps for which they are not eligible by making false statements; or failing to report promptly any changes in their circumstances. If evidence indicates that such individuals have willfully violated the law, they will be referred to the proper law enforcement authority for investigation and possible prosecution. Anyone who aids another person to obtain food stamps fraudulently is subject to the same penalties.

Signature of Student

Date _____

1. Purpose of TEMP 1038

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Pending incorporation of the tax/dependency statement into the food stamp application, TEMP Form 1038 must be completed by all applicant households containing one or more students to whom the tax dependency criteria are applicable as provided in Manual Section 63-~~1038~~. This form, used in conjunction with the application, is designed to assist the certification worker in determining whether the student is financially independent from his parent(s) or guardian and is not claimed as their dependent for federal tax purposes.

2. Actions Needed in Relation to Student Responses

*** DFA 377.8 IS NOW THE STUDENT TAX
DEPENDENCY REPORT FORM**

RESPONSES		YES	NO	UNKNOWN
Question	No. 1	DFA 426 must be sent.	Inconclusive, coordinate with No. 2	DFA 426 must be sent.
	No. 2	Whether a DFA 426 must be sent, depends on the answers to No. 4 and No. 5. Is ineligible if answers are "NO" to No. 4 and No. 5.	Meets Tax Dependency criteria unless questionable circumstances exist — see item 3. below.	DFA 426 must be sent.
	No. 3	DFA 426 must be sent.	Meets Tax Dependency criteria unless questionable circumstances exist — see item 3. below.	DFA 426 must be sent.
	No. 4	DFA 426 must always be sent, but if enough information is provided to obtain necessary verifications from telephone contacts with the appropriate government agency, the household may be certified pending receipt of the DFA 426.	Inconclusive — depends on answer to No. 5.	DFA 426 must be sent.
	No. 5	DFA 426 must be sent.	Is ineligible if answer to No. 4 is also "NO."	DFA 426 must be sent.

3. Questionable Status

In each of the following instances of questionable tax dependency status a Form DFA 426 must be sent.

- When the income and/or resources as evidenced on the application or noted by the EW in the interview process are clearly inconsistent with the person's present or recent earning abilities. For example, a student owning an expensive late model automobile whose earnings record indicates he could not possibly have purchased this item without a major subsidy from another party.
- When a student is currently receiving income within the calendar year from a parent or guardian.
- When a student is being claimed currently as a specific deduction on the Federal or State paycheck withholding of a "noneligible" parent or guardian.
- When a student claims not to know his/her tax dependency status, or has made responses on the questionnaire that keys a DFA 426 response.

For County Use Only

Form Controls

- Is completion of a parent's letter, Form DFA 426 required ☐ Yes ☐ No
- Food Stamp Application date _____
- Date form DFA 426 mailed to parent or guardian _____
- Follow-up or other action taken _____
- If DFA 426 is sent because of a questionable status (which is not keyed by student response on this form) indicate which of the above items in No. 3 (Questionable Status) is the circumstance relevant to this case. Indicate concisely the specific information that identifies this as a questionable case (e.g. "DFA 285 and county records indicate student has received income from his parents for months of January and June").