

## DEPARTMENT OF SOCIAL SERVICES

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August 19, 1982

ALL-COUNTY LETTER NO. 82-82

TO: ALL COUNTY WELFARE DIRECTORS

SUBJECT: VAESSEN V. WOODS - SUPREME COURT ORDER

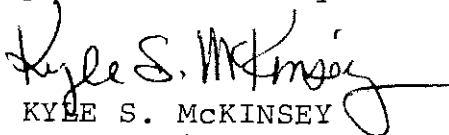
REFERENCE: AFDC TREATMENT OF INCOME TAX REFUNDS

In All-County Letter No. 82-55 we informed you of the status of the case of Vaessen v. Woods which concerns the treatment of income tax refunds as income or as property. You were instructed at that time to treat tax refunds as income under the lump sum provisions of EAS 44-207.4.

On August 9, 1982 the California Supreme Court agreed to hear plaintiff's appeal and issued an interim order requiring the Department to treat specified income tax refunds as property resources instead of as income for purposes of determining the allowance and amount of AFDC benefits.

Pursuant to the order, you are hereby instructed to disregard the provisions of EAS 44-207, as applied to income tax refunds, and to otherwise treat such refunds as property rather than income for grant and eligibility determination purposes. Implementation of this order will affect applications as of August 9, 1982 and continuing cases beginning with the September grant.

Vaessen v. Woods is interrelated with Turner v. Woods (see ACIN I-102-82). We realize that the status of these two cases is changing rapidly, and will probably continue to do so for some time. We will keep you informed of developments as we become aware of them. If there are any questions on these instructions, please contact your AFDC Program Management Consultant.

  
KYLE S. MCKINSEY  
Deputy Director

cc: CWDA

ATTACHMENT

GEN 654 (7/78)