

## **I. BACKGROUND**

The Economic Stimulus Act of 2008 (Public Law 110-185) was recently signed into law. Under the provisions of this act, more than 130 million American households will receive economic stimulus payments or tax rebates beginning May 2008. The only way to get this rebate is to file a federal tax return for 2007. This filing requirement also applies to some people who do not normally file, including many low-income people and recipients of Social Security benefits, Supplemental Security Income (SSI), Department of Veterans Affairs benefits and certain Railroad Retirement benefits. If the Internal Revenue Service (IRS) does not receive this tax return by October 15, 2008, no economic stimulus payment can be made.

Once the tax return has been filed, the IRS will calculate the amount of the economic stimulus payment due the taxpayer and issue the payment by check or direct deposit.

Pursuant to Section 101(d) of Title I of the Economic Stimulus Act, stimulus payments or rebates are disregarded as income or resources and shall not be considered as income nor as resources for the month of receipt and the following two months when determining eligibility or benefit amount under any federal program or under any state or local program that is financed wholly or in part with federal funds.

The provisions of the federal Economic Stimulus of 2008 apply to the Minnesota Family Investment Program, Diversionary Work Program, Child Care, Food Support, Minnesota Supplemental Aid, General Assistance, Group Residential Housing and all DHS health care programs as stated in Section II below.

## **II. IMPLEMENTATION**

**The following policies apply to both applicant and recipient households.**

### **MFIP/DWP**

Exclude as income in the month of receipt and as an asset for the following two (2) months. Count federal stimulus payments retained beyond three months toward the appropriate asset limit (applicable only to stimulus payments under the federal Economic Stimulus Act.)

### **Child Care**

Exclude as income (current policy.)

**GA, GRH (with GA)**

Exclude as income in the month of receipt and as asset for the following two (2) months. Count federal stimulus payments retained beyond three months toward the appropriate asset limit (applicable only to stimulus payments under the federal Economic Stimulus Act.)

**Food Support (FS – both federal and state)**

Exclude as income in the month of receipt and as an asset for the following two (2) months. Count federal stimulus payments retained beyond three months toward the appropriate asset limit (applicable only to stimulus payments under the federal Economic Stimulus Act.)

**SSI, MSA, GRH (with SSI)**

Exclude as income in the month of receipt and as an asset for the following two (2) months. Count federal stimulus payments retained beyond three months toward the appropriate asset limit (applicable only to stimulus payments under the federal Economic Stimulus Act.)

**All Healthcare Programs, including MA, GAMC and MinnesotaCare**

Exclude as income in the month of receipt and as assets for the following two (2) months. The income exclusion in the month of receipt also applies to a person's long-term care budget. Count federal stimulus payments retained beyond three months toward the appropriate asset limit (applicable only to stimulus payments under the federal Economic Stimulus Act.)

**III. MAXIS PROCEDURES**

See TE 02.13.01 for instructions on how to record the 2008 federal economic stimulus payments on MAXIS.

**IV. AUTHORITY**

Section 101 of Title I of the Economic Stimulus Act of 2008 amends section 6428 of the Internal Revenue Code of 1986.

**V. SPECIAL NEEDS**

This information is available in other forms to people with disabilities by contacting us at (651) 431-4040 (voice) or toll free at 1-888-234-1138 or through the Minnesota Relay Service at 1 (800) 627-3529 (TDD), 7-1-1 or 1-877- 627-3848 (speech-to-speech relay service).