

INCOME**WINDFALLS**

Description: Windfall payments are one-time only payments. They include, but are not limited to, lottery winnings, gifts and court settlements.

Policy: Treatment of windfall payments, in the month of receipt, varies depending on the category of the A/R. When determining eligibility for LIF and ADC-related A/Rs, windfall payments are generally considered countable resources in the month received. When determining eligibility for SSI-related and S/CC A/Rs, windfall payments are considered countable income in the month received.

Essential expenses incurred when attaining a payment are deducted from that payment. Essential expenses are deducted from the first and any subsequent payments until the expenses are met. From a payment received for damages in connection with an accident: legal, medical, and other expenses connected with the accident are allowable deductions.

When any or all of a windfall payment is retained beyond the month of receipt, it is considered a resource, regardless of the A/R's category.

References: SSL Sect. 366.2.

ADMs OMM/ADM 97-2
92 ADM-11

Disposition: For LIF and ADC-related A/Rs, in the month of receipt and thereafter (if the windfall or part of it is retained), the amount of the windfall payment is a resource. (See **RESOURCES EXCESS RESOURCES** for rules regarding the treatment of excess resources.)

For SSI-related and S/CC A/Rs, windfall payments are considered income in the month of receipt. The windfall is combined with any other countable income. Allowable disregards are subtracted. The remaining income is compared to the appropriate income level.

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When an SSI-related or S/CC A/R retains any or all of a windfall payment beyond the month of receipt, it is considered a resource. For SSI-related A/Rs, the windfall together with other countable resources is compared to the appropriate resource level.