

**INCOME
ADC-RELATED BUDGETING METHODOLOGY**

CHILD /INCAPACITATED ADULT CARE COST

Policy: The actual cost of care up to \$175 a month for each dependent child age two or over, or incapacitated adult that the A/R pays for may be deducted from the earned income of the A/R. The actual cost of care, up to \$200 a month, may be deducted for each dependent child under age two. The child(ren) or adult must reside in the same home as the A/R who is making the payments.

References: SSL Sect. 366
Dept. Reg. 360-4.6(a)(3)(iv)
ADMs 91 ADM-8
90 ADM-3
81 ADM-55

Verify: When the A/R indicates that s/he is employed full or part-time and that there are dependent children or an incapacitated adult in the household for whom care is being provided and paid for by the A/R while s/he works. Only one parent is required to be employed to be eligible for this deduction from earned income even if there are two parents in the home.

Verification: Seeing a statement from the caretaker or day care center including the hours of care and the amount charged for such care.

Documentation: Sufficient to establish an audit trail:

Name of caretaker or day care center, children's names and ages, amount paid, hours of care and receipts for payment.