

**INCOME
UNEARNED****DIVIDENDS AND INTEREST**

Description: Dividends and interest are returns on capital investments such as stocks, bonds, or savings accounts.

Policy: Dividends and interest are considered unearned income. Interest or dividend income from certain resources is exempt for SSI-related A/Rs under community budgeting,

NOTE: Certain trust funds, which are unavailable as a resource may pay interest or dividends and, therefore, are carefully reviewed. Trust instruments are often very complicated documents. They may need to be reviewed by an attorney to determine the availability of the trust principal and any dividends or interest they may pay. (See **RESOURCES** TRUST FUNDS for treatment of trusts as resources.)

References:

ADMs	11 OHIP/ADM-1
GISs	05 MA/01 04 MA/027

Interpretation: Except for interest or dividend income derived from certain resources for SSI-related A/Rs under community budgeting, income from dividends and interest is included with all other sources of income in the eligibility determination process. Dividends and interest often vary from month to month depending on deposits, withdrawals, or company profits. Since dividends and interest credited to an individual account are generally not reflected until the end of the quarter, local districts project the amount of monthly dividends or interest based on the most current information available. If dividends or interest are credited/paid quarterly, one third of the quarterly interest or dividend is counted as income each month. Interest or dividends credited on other than a monthly or quarterly basis generally are annualized and divided by twelve to determine a monthly amount.

NOTE: Account service fees or penalties for early withdrawal do not reduce the amount of dividend or interest income.

The following describes when dividends or interest are considered countable unearned income for categories other than SSI-related: