

## ALASKA TEMPORARY ASSISTANCE MANUAL

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### EXEMPT RESOURCES

The following sections list exempt resources which are sometimes wholly or sometimes partially exempt. They also discuss certain non-exempt resources that are special in some Temporary Assistance-related way. These sections are not intended to list all possible resources clients may have. They do, however, list all resources which can be considered exempt. Unless a resource is listed here as wholly or partially exempt, **it will be considered non-exempt**. Any non-exempt resource may not count in determining resource eligibility if it is unavailable to meet the needs of the Temporary Assistance applicant or recipient.

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#### THE HOME IN WHICH THE FAMILY RESIDES

The home in which the applicant or recipient resides and the land upon which it is situated are both exempt regardless of their value. A home may be permanently affixed to the land, or it may be situated on it, as with a mobile home. The home includes related structures such as a garage, tool shed, outhouse, or lean-to.

In order to be exempt, the land that the home is located upon must be a single, legally-described piece of property. (Normally, granting an easement or a public or private right-of-way through a single legally-described piece of land does not change the legal description.)

Except for certain houses on Native Restricted Deed lands (section 754-9), all income-producing property counts as a resource, unless the property is the home and the single piece of land upon which the home is located.

If the family is temporarily absent from the home for an allowable reason, such as employment or medical treatment, the home and land which is their primary residence remains exempt.

*Verification may be obtained from deeds, tax assessor's records, recorder's office, realtors or real estate agents, mortgage or escrow documents, or signed surveyors records or reports.*

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### **BURIAL PLOTS AND FUNERAL AGREEMENTS**

#### **A. BURIAL PLOTS**

One burial plot for each assistance unit member is an exempt resource, regardless of location, salability, or equity value. A Burial plot includes a parcel of ground located in a private or public cemetery suitable for the burial of one person, a vault in a mausoleum, a one-person mausoleum or crypt, a niche in a columbarium or cinerarium, and any markers and maintenance which are conveyed as a natural benefit of ownership.

#### **B. FUNERAL AGREEMENTS**

In addition, the equity value of funeral agreements is excluded up to \$1500 per assistance unit member. Equity value in excess of \$1500 per member counts against the resource limit. The term funeral agreement means a legally binding written agreement between the client and a provider of funeral and/or burial or cremation services and goods which provides for prepayment of services to be provided upon death, and includes agreements called burial contracts or burial or funeral trusts.

This \$1500 exclusion is given regardless of whether the equity value of the agreement is salable or transferrable, regardless of what services or goods are included in or excluded from the agreement, and regardless of the terms of prepayment.

#### **C. VERIFICATION**

Burial plots and funeral agreements are rarely encountered in Temporary Assistance assistance units. The case worker does not need to make any special effort to discover if they exist. If the client volunteers their existence, do not request verification unless there is reason to doubt the client's explanation of details.

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### **PERSONAL EFFECTS AND HOUSEHOLD GOODS**

Basic items of personal effects and household goods, those which are essential to day-to-day living, are exempt. Luxury items which are not essential to daily life may count against the resource limit. (See Luxury Items, section 752-5.)

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### **ITEMS OF EMPLOYMENT**

#### **A. TOOLS**

Tools and light or farm machinery are exempt as personal property. Tools required by a school as a condition of enrollment and tools required by an employer as a condition of employment are also exempt as personal property.

#### **B. STOCK AND INVENTORY**

Stock and inventory essential to the production of self-employment income may also be exempt. Stock and inventory includes all items necessary to produce gross self-employment income, including fishnets, traps, motor vehicles (including fishing boats), and Limited Entry Fishing Permits.

In order to be exempt, such items must be used primarily for income producing purposes. They must also actually be producing income.

#### **C. DEFINITION OF PRODUCING INCOME**

##### **1. "Producing Income" for self-employment:**

Means producing gross self-employment income (before any business deductions are given) for a person who is included in the assistance unit or a person whose net countable income, if any remains after deductions, would be deemed available to the unit.

##### **2. "Producing Income" for seasonally self-employed persons:**

Means producing income now, or produced income last season and is expected to do so next season.

##### **3. Short-term exception:**

A short-term exception may be made in unusual circumstances where the client was prevented from producing income by reasons beyond his or her control (such as illness, fisheries closure, strike, or machinery breakdown).

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### **D. ITEMS ON CONSIGNMENT**

It is common to encounter situations in which a client carves ivory or makes other items which he or she then places for sale on consignment with one or more retail merchants. If and when an item sells, the client then receives payment from the merchant.

There may be one or more months each year in which no sales are made. The consignment "stock and inventory" should be disregarded during such no-income periods, as long as it is actually up for sale.

### **E. STOCK AND INVENTORY FOR SALE**

A similar exception may be made for regular stock and inventory not on consignment. If the stock and inventory is actually for sale as part of a legitimate business it can be considered as an exempt resource in any month in which, for reasons beyond the control of the client, there is no gross self-employment income.

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**TEMPORARY ASSISTANCE CORRECTIVE PAYMENTS**

Any Temporary Assistance corrective payment is not considered as income or as a resource in the month received and the month after it is received.

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**OTHER EXCLUSIONS**

Monies retained from the following sources are also exempt as resources:

- Permanent Fund Dividends (PFDs) or Food Stamp PFD Hold Harmless payments issued to replace Food Stamp benefits;
- Receipt of bona fide loans;
- Restitution payments;
- Disaster relief funds (as specified in the Income section of this manual); and

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- Earnings from participation in the Summer Youth Employment and Training Program (SYTEP) operated under the Workforce Investment Act (WIA) of 1998; and
- Energy Employees Occupational Illness Compensation payments.

To maintain the exclusion, the retained portion of such funds must be kept identifiable. A separate bank account is the preferred method of maintaining identifiability, but is not mandatory. An applicant or recipient may satisfy the requirement of identifiability by providing reasonable documentation of the amount retained. Verification that monies on deposit are retained from the above sources is not required unless there is good reason to question the source of the funds.

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### PROPERTY FOR SALE

Real property that the household is making a good faith effort to sell at a reasonable price is exempt.

- A "**good faith effort**" means that the property is continuously and actively offered for sale at a reasonable price.
- "**Reasonable price**" means it is priced equivalent to the prices of similar pieces of property in the area, and the offer to sell invites additional reasonable offers.
- "**Actively offered for sale**" means that the property is listed with realtors or real estate agents, or is offered privately by at least monthly classified newspaper ads and visible on-site for sale signs.

Verification of "reasonable price" and "actively-offered for sale" is required.

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