



# DEPARTMENT OF PUBLIC HEALTH AND HUMAN SERVICES

www.dphhs.mt.gov

**Brian Schweitzer**  
GOVERNOR

**Anna Whiting Sorrell**  
DIRECTOR

## STATE OF MONTANA

PHONE: (406) 444-1788  
FAX: (406) 444-2547

HUMAN AND COMMUNITY SERVICES DIVISION  
PO BOX 202925  
HELENA, MT 59620-2925

**DATE:** February 9, 2011

**TO:** All ABD Medicaid Policy Manual Holders  
All Family Medicaid Policy Manual Holders  
All TANF Cash Assistance Policy Manual Holders  
All SNAP Policy Manual Holders

**FROM:** Nancy Clark, ABD Medicaid Policy Specialist  
Christie Twardoski, Medicaid Policy Program Manager  
Del Bock, TANF Program Manager  
Tammy Poppe, SNAP Policy Specialist

**SUBJECT:** Bulletin MA-108  
Bulletin FMA-65  
Bulletin TB-63  
Bulletin SNAP 81

**ABD MA Manual:** Place this bulletin between pages 26 and 27 of ABD 402-1  
**FMA Manual:** Place this bulletin between pages 18 and 19 of FMA 402-1  
**TANF Manual:** Place this bulletin at the beginning of TANF 402-1 & TANF 501-1.  
**SNAP Manual:** Place this bulletin at the beginning of SNAP 402-1 & SNAP 501-1.

---

**SUBJECT:** Disregarding Tax Refunds

**REFERENCE:** Tax Relief, Unemployment Insurance and Reauthorization, and Job Creation Act of 2010 (P.L. 111-312) signed into law December 17, 2010.

**EFFECTIVE DATE:** Immediately upon receipt

**INTRODUCTION:** The above referenced law includes a provision that disregards federal tax refunds received after December 31, 2009 as income in the month received and resources for a period of 12 months.

For TANF and SNAP, the law is not retroactive, but applies as of the date of enactment, December 17, 2010.

**NEW POLICY:** For all programs, federal income tax refunds are excluded as income in the month of receipt and as resources for a period of 12 months following the month of receipt.

If a household has resources which exceed the resource limit for a program, the retained amount of any federal tax refund received within the past 12 months must be deducted from the countable balance of the type of resource in which it is retained (i.e., savings, checking, cash). If the remaining countable resources are

less than the allowable resource limit for the program, the household is resource eligible.

A household cannot be denied on the basis of being over resources unless the household has been asked whether or not anyone in the household has received a tax refund in the last 12 months and those refunds have been disregarded.

**SNAP:** For SNAP, the refund is excluded due to expanded categorically eligible (ECE) policy so there is no need to do any special calculation through the 12 month period to determine if the household is resource eligible.

**ABD Medicaid:** Federal tax refunds under this provision will not be countable when determining CSRMA and CSIMA. If a federal tax refund is transferred while it is excluded, no uncompensated asset transfer penalty will be applied.

**UPDATED MANUAL MATERIAL WILL BE DISTRIBUTED AS SOON AS POSSIBLE.  
UNTIL THAT TIME, USE THIS BULLETIN AS A GUIDE. IF YOU HAVE ANY QUESTIONS, PLEASE  
CONTACT YOUR REGIONAL POLICY SPECIALISTS.**