



## Administrative Policies and Procedures: 24.13

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### Subject            **SNAP Treatment of Resources**

### Approved by

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**Effective Date:** 07/01/2018

### Authority

7 CFR 273.8  
Tenn. Code Ann. § 71-1-105, § 71-3-107

### Application

All TDHS Employees and Contractors

### Policy Statement

The Tennessee Department of Human Services (TDHS) shall meet federal and state guidelines regarding the treatment of resources and special resource situations. TDHS shall also define the penalties for the improper transfer of resources resulting in disqualification from Supplemental Nutrition Assistance Program (SNAP).

### Purpose

This chapter describes the treatment of resources when verification is required and the actions an eligibility counselor should take to document the case record, handle special resources situations such as jointly owned and inaccessible resources, and the penalties of SNAP transfer of resources.

### Procedures

- A. Verification of a Resource**
1. If verification was required because of questionable information, the eligibility counselor must document what verifications were used to resolve the questions in CLRC within 48 hours or the next business day.
  2. Staff shall refer to the [Verifying Resources](#) and/or the [Required Verifications](#) for assistance with verifying resources if questionable.
- B. Actions on Cases Receiving Lump Sum Payments**
- Staff shall reference [Actions on Cases Receiving Lump Sum Payments](#) on how to process lump sum payments.
- C. Jointly Owned Resources (Real or Personal Property) - Special Resource**
1. Resources owned jointly with any other person(s) outside the household (HH) will be considered available in their entirety to that person and to the HH unless it can be demonstrated that the resources are inaccessible to the household.

**Situation**

2. When the HH can demonstrate that resources are not accessible in their entirety, only the portion of the resource to which the HH has access will be counted toward its resource level.
  - a. Please be advised that a HH member's name on a joint bank account with that of a non-household member does not conclusively mean that the funds are "jointly owned".
  - b. The HH member must be given the opportunity to prove that he/she does not, in fact, have any ownership rights in the funds.
  - c. The key to determination of ownership lies in the written language or oral understanding surrounding the creation of the joint bank account or other jointly named asset.
  - d. Consider the source of the funds or asset and for whom the use and benefit of the funds in such an account are intended and used.  
  
Example: This may occur where a HH member's name is listed on a joint checking account in which all of the funds belong to an elderly or disabled relative so that the HH member can assist with his/her banking transactions, and the HH member does not use any funds for his/her own personal use. In any case, the burden is on the HH member to prove that he/she has no ownership in the funds.
3. Inaccessible Resources –
  - a. Resources are considered inaccessible to the HH if they cannot be practically subdivided and access to their value is dependent on the agreement of the joint owner who refuses to comply.
  - b. Resources are considered inaccessible to persons residing in shelters for battered person regardless of their gender if:
    - i. the resources are jointly owned by such persons and by members of their former HH; and
    - ii. the shelter resident's access to the value of the resource is dependent on the agreement of a joint owner who still resides in the former HH.
4. Real property that the HH demonstrates it cannot sell if the property cannot be sold because it only has a life estate, use rights, lifetime occupancy, or dower rights, shall also be considered inaccessible to the household.
  - a. Please be advised ownership of a life estate entitles the individual to any income from the property.
  - b. When determining the HH's resource level, consider the resources of Excluded Household Members as defined in Chapter 2 under "Excluded Household Members" in the SNAP Policy Manual, July 2017.

**D. Victims Compensation Awards - Special Resource Situation**

1. Victims Compensation Awards paid on Behalf of Minors – These payments will be treated as irrevocable trusts in SNAP provided:
  - a. the minor's parent, other caretaker relative or guardian entered into an agreement with the State Claims Commission as to the uses to be made of the funds and signed such an agreement, and
  - b. the funds are deposited in accordance with the agreement, and
  - c. the funds remain on deposit or are used only according to the terms of the agreement. Any funds withdrawn and used for goods/services not

specified in the agreement will be treated as income in the month received.

2. Victims Compensation Awards Paid to Adults (Age 18 or Older) – Compensation paid to the adults in their own behalf will continue to be treated as non-recurring lump sums.

**E. Establishing Ownership of Property through Legal Title - Special Resource Situation**

1. When there is a question of ownership, it is normally presumed that the title holder of the property is the owner; therefore, the property is considered a resource to the owner.
2. Occasionally, one person pays the purchase price of the property, but title to the property is placed in another's name. This type of ownership is called an equitable trust or a resulting trust.
3. The title to the property is being held in trust for the benefit of the owner. In these situations, the property would not be considered a resource for the title holder.

**F. Treatment of Vehicles - Special Resource Situation**

1. All licensed and unlicensed vehicles used for family transportation are exempt as a resource in SNAP.
2. The eligibility counselor must continue to record all vehicles for the HH for informational purposes in SNAP and eligibility determination for other Family Assistance programs.
  - a. Exempt vehicles will be coded as 'FW' on the AERVH screen in ACCENT.
  - b. Vehicles used for recreational purposes rather than everyday transportation, such as RVs, snowmobiles, boats, trailers, ATVs and personal watercraft must be considered as a resource.

**G. Transfers Resulting in Disqualification**

1. At the time of application, the HH shall be asked to provide information regarding any resources which any HH member (or ineligible alien or disqualified person whose resources are being considered available to the household HH) had transferred within the three (3) month period immediately preceding the date of application.

This includes resources which are transferred between members of the same HH (including ineligible aliens or disqualified persons whose resources are being considered available to the HH).

2. Households which have transferred resources knowingly for the purpose of qualifying or attempting to qualify for SNAP are disqualified from participation in the program for up to one (1) year from the date of discovery of the transfer.
  - a. This disqualification period shall be applied if the resources are transferred knowingly in the three (3) month period prior to application or if they are transferred knowingly after the HH is determined eligible for benefits.

**H. Transfers Not Resulting in Disqualification**

- Eligibility for SNAP will not be affected by transfers of resources which:
1. would not otherwise affect eligibility; for example, excluded personal property such as furniture, or money that when added to other non-exempt resources was less than the allowable limits at the time of the transfer;

- 2. are sold or traded at or near fair market value;
- 3. are transferred between members of the same HH ; or
- 4. are transferred for reasons other than qualifying or attempting to qualify for SNAP benefits; for example, a parent placing funds in an inaccessible educational trust fund.

**I. Period of Disqualification**

- 1. The length of the disqualification period is based on the amount by which the transferred resource, when added to other countable resources, exceeded resource limits.
- 2. The following chart will be used to determine the period of disqualification:

Amount in Excess of the Resource Limit	Period of the Disqualification
\$0.00 to \$249.99	1 month
\$250.00 to \$999.99	3 months
\$1,000.00 to \$2,999,99	6 months
\$3,000.00 to 4,999.99	9 months
\$5,000.00 and up	12 months

- 3. An example would be if a one-person HH with \$1,250 in a bank transferred ownership of non-exempt land worth \$1350 to a relative. The \$1,350 would be applied toward the resource limit of \$2250. All countable resources are \$2600 (\$1250 + \$1350). Only \$350 of that transfer would be considered. The one-person HH would be disqualified for three (3) months based upon the chart shown above.

**J. Disqualifying a Household**

Staff shall reference [Disqualifying a Household from SNAP Due to Improper Resource Transfer](#) for the procedures in the event the eligibility counselor establishes that a HH knowingly transferred resources for the purpose of qualifying or attempting to qualify for SNAP benefits.

**Forms**

N/A

**Collateral Documents**

Chapter 2 under “Excluded Household Members” in the SNAP Policy Manual, July 2017

[Disqualifying a Household from SNAP Due to Improper Resource Transfer](#)

[Actions on Cases Receiving Lump Sum Payments](#)

[Required Verifications](#)

[Verifying Resources](#)

**Additional Resources**     [Family Assistance Resource Desk Guide](#)

**Retention of Records**     Pending

## Glossary

### Term

### Definition

***Disqualified person***

A client who is not or is no longer eligible to receive SNAP.

***Ineligible Alien***

Classes of aliens ineligible for visas or admission.

***Shelters for Battered Person (women or men) and Children***

Public or private non-profit facilities that serve battered persons and their children. If the facility serves other individuals, a portion of the facility must be set aside on a long-term basis to serve only battered persons and children to meet the criteria for eligibility in a shelter for battered persons and children.

## Acronyms

### Abbreviation

### Expansion

***HH***

Household

### Supersedes

Bulletin 5, FA-13-02

SNAP Policy Manual, July 2017

- Chapter 17 Documentation
- Chapter 18 Special Resource Situations
- Chapter 19 Transfer of Resources