



CRS Report for Congress

SSI Income and Resource Limits: A Fact Sheet

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The Supplemental Security Income (SSI) program, authorized by Title XVI of the Social Security Act, is a means-tested income assistance program financed from general tax revenues.¹ Under SSI, disabled, blind, or aged individuals who have low incomes and limited resources are eligible for benefits regardless of their work histories. In October 2007, nearly 7.4 million individuals received SSI benefits. The maximum federal SSI payment (also referred to as the federal benefit rate) is \$637 per month for an individual living independently and \$956 per month for a couple living independently in 2008. All but six states and the Commonwealth of the Northern Mariana Islands supplement the federal SSI benefit with additional payments, which may be made directly by the state or combined with the federal payment.

For SSI recipients who live in another person's household (and receive in-kind support and maintenance), the federal benefit rate is reduced by one-third (to \$423.67 per month for an individual and \$637.34 per month for a couple in 2008). Individuals who reside in public institutions throughout a month are generally not eligible for SSI.² Benefits are adjusted annually (in January) using the Consumer Price Index to reflect changes in the cost of living. Most SSI recipients are also eligible for Medicaid and Food Stamps. In some cases, the income and resources of non-recipients are counted in determining SSI eligibility and payment amounts. This process is called "deeming" and is applied in cases where an eligible child lives with an ineligible parent, an eligible individual lives with an ineligible spouse, or an eligible non-citizen has a sponsor.

Verification Procedure. When applying for SSI, an individual must provide documentation to verify income and resource eligibility, such as a Social Security card or record of a Social Security number; a birth certificate or other proof of age; a copy of a mortgage or lease and landlord's name; payroll slips, bank records, insurance policies, car

¹ This report is based upon the previous work of April Grady, Rachel Kelly, and Jennifer Lake.

² The federal benefit rate for individuals who reside in a medical treatment facility where more than half of the bill is paid by Medicaid (or, in the case of children, private health insurance) is reduced to \$30 per month.

registration, and other income information; medical information if applying for disability; and proof of immigration status (if not a U.S. citizen).

Income Limits and Exclusions. Two types of income are considered for purposes of determining SSI eligibility and payment amounts: earned and unearned. Earned income includes wages, net earnings from self-employment, and earnings from services performed. Most other income not derived from current work (including Social Security benefits, other government and private pensions, veterans' benefits, workers' compensation, and in-kind support and maintenance) is considered "unearned." In-kind support and maintenance includes food, clothing, or shelter that is given to an individual. If an individual (or a couple) meets all other SSI eligibility requirements (including the resource test described below), their monthly SSI payment equals the federal benefit rate minus their *countable* income.

Not all income is counted for SSI purposes, and different exclusions apply to earned and unearned income. Monthly unearned income exclusions include a general income exclusion of \$20 per month that applies to non needs-based income, food stamps, housing and energy assistance, state and local needs-based assistance, in-kind support and maintenance from non-profit organizations, student grants and scholarships used for educational expenses, and income used to fulfill a plan for achieving self-support (PASS). Monthly earned income exclusions include any unused portion of the \$20 general income exclusion, the first \$65 of earnings, one-half of earnings over \$65, impairment-related expenses for blind and disabled workers, and income used to fulfill a PASS. Couples receive the same income exclusions as individuals (e.g., a single earned income exclusion of \$65, rather than two \$65 exclusions).

Resource Limits and Exclusions. An individual's resources are also examined to determine eligibility for SSI. Regulations define a resource as cash or other liquid assets or personal property that individuals (or their spouses) own and could convert to cash to be used for their support and maintenance. The *countable* resource limit for SSI eligibility is \$2,000 for individuals and \$3,000 for couples. These limits are not indexed for inflation and have been at their current levels since 1989. Not all resources are counted for SSI purposes. Excluded resources include an individual's home, a car used for essential transportation (or, if not essential, up to \$4,500 of its current value), resources to fulfill a PASS, property essential to income-producing activity, household goods and personal effects totaling \$2,000 or less, burial funds of \$1,500 or less, and life insurance policies with a combined face value of \$1,500 or less.

Treatment of Assets Held in Trusts. Generally, assets held in a trust that could be used for the benefit of an individual are considered a resource for SSI purposes. The Foster Care Independence Act of 1999 (P.L. 106-169) changed the status of irrevocable trusts for SSI benefit calculations. Before its passage, assets placed in irrevocable trusts were not considered assets when determining benefit eligibility. P.L. 106-169 changed SSI eligibility requirements so that the value of income and resources from both irrevocable and revocable trusts are considered in determining eligibility and payment amounts. However, the Commissioner of Social Security may waive this provision if it would cause undue hardship for certain individuals.