

Appendix A
Adjusted Monthly Income: non-countable and total countable income
5 CCR Section 18078(a)(1-14), (s)(1-20)

§ 18078. Definitions.

For the purposes of this chapter, the following definitions shall apply:

(a) "Adjusted monthly income" means the total countable income as defined in subdivision (a) below, **minus verified child support payments paid by the parent whose child is receiving child development services, and excluding the non-countable income listed below:**

Non-countable income:

- 1) Earnings of a child under age 18 years;
- 2) Loans;
- 3) Grants or scholarships to students for educational purposes other than any balance available for living costs;
- 4) Food stamps or other food assistance;
- 5) Earned Income Tax Credit or tax refund;
- 6) GI Bill entitlements, hardship duty pay, hazardous duty pay, hostile fire pay, or imminent danger pay;
- 7) Adoption assistance payments received pursuant to Welfare and Institutions Code section 16115 et seq.;
- 8) Non-cash assistance or gifts;
- 9) All income of any individual counted in the family size who is collecting federal Supplemental Security Income (SSI) or State Supplemental Program (SSP) benefits;
- 10) Insurance or court settlements including pain and suffering and excluding lost wages and punitive damages;
- 11) Reimbursements for work-required expenses such as uniforms, mileage, or per diem expenses for food and lodging;
- 12) Business expenses for self-employed family members;
- 13) When there is no cash value to the employee, the portion of medical and/or dental insurance documented as paid by the employer and included in gross pay; and

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14) Disaster relief grants or payments, except any portion for rental assistance or unemployment.

(s) "Total countable income" means all income of the individuals counted in the family size that includes, but is not limited to, the following:

- 1) Gross wages or salary, advances, commissions, overtime, tips, bonuses, gambling or lottery winnings;
- 2) Wages for migrant, agricultural, or seasonal work;
- 3) Public cash assistance;
- 4) Gross income from self-employment less business expenses with the exception of wage draws;
- 5) Disability or unemployment compensation;
- 6) Workers compensation;
- 7) Spousal support, child support received from the former spouse or absent parent, or financial assistance for housing costs or car payments paid as part of or in addition to spousal or child support;
- 8) Survivor and retirement benefits;
- 9) Dividends, interest on bonds, income from estates or trusts, net rental income or royalties;
- 10) Rent for room within the family's residence;
- 11) Foster care grants, payments or clothing allowance for children placed through child welfare services;
- 12) Financial assistance received for the care of a child living with an adult who is not the child's biological or adoptive parent;
- 13) Veterans pensions;
- 14) Pensions or annuities;
- 15) Inheritance;
- 16) Allowances for housing or automobiles provided as part of compensation;

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- 17) Portion of student grants or scholarships not identified for educational purposes as tuition, books, or supplies;
- 18) Insurance or court settlements for lost wages or punitive damages;
- 19) Net proceeds from the sale of real property, stocks, or inherited property; or
- 20) Other enterprise for gain.