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Social Security Online

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Supplemental Security Income (SSI)

Understanding Supplemental Security Income SSI Income 2007 Edition

SSI INCOME

WHAT IS INCOME?

Earned Income is wages, earnings from self-employment, certain royalties and honoraria, and sheltered workshop payments.

Unearned Income is all income that is not earned, such as Social Security benefits, pensions, State disability payments, unemployment benefits, interest income, and cash from friends and relatives.

In-Kind Income is food or shelter that you get for free or less than its fair market value.

Deemed Income is the part of the income of your spouse with whom you live, your parent(s) with whom you live, or your sponsor (if you are an alien), which we use to compute your SSI benefit amount.

WHY IS INCOME IMPORTANT IN THE SSI PROGRAM?

Generally, the more income you have, the less your SSI benefit will be. If your countable income is over the allowable limit, you cannot receive SSI benefits. Some of your income may not count as income for the SSI program.

WHAT INCOME DOES NOT COUNT FOR SSI?

Examples of payments or services we do not count as income for the SSI program include but are not limited to:

- ▶ the first \$20 of most income received in a month;
- ▶ the first \$65 of earnings and one-half of earnings over \$65 received in a month;
- ▶ the value of food stamps;

- ▼ income tax refunds;
- ▼ home energy assistance;
- ▼ assistance based on need funded by a State or local government;
- ▼ small amounts of income received irregularly or infrequently;
- ▼ interest or dividends earned on countable resources or resources excluded under other Federal laws (effective July 1, 2004);
- ▼ grants, scholarships, fellowships or gifts used for tuition and educational expenses (effective June 1, 2004);
- ▼ food or shelter based on need provided by nonprofit agencies;
- ▼ loans to you (cash or in-kind) that you have to repay;
- ▼ money someone else spends to pay your expenses for items other than food or shelter (e.g., someone pays your telephone or medical bills);
- ▼ income set aside under a Plan to Achieve Self-Support (PASS). See the SSI Spotlight on [Plans to Achieve Self-Support](#);
- ▼ earnings up to \$1,550 per month to a maximum of \$6,240 per year (effective January 2008) for a student under age 22. See the SSI Spotlight on [Student Earned Income Exclusion](#);
- ▼ the value of impairment-related work expenses for items or services that a disabled person needs in order to work. See the SSI Spotlight on [Impairment-Related Work Expenses](#);
- ▼ the value of work expenses that a blind person incurs in order to work. See the SSI Spotlight on [Special SSI Rule for Blind People Who Work](#);
- ▼ disaster assistance;
- ▼ certain exclusions on Indian trust fund payments paid to American Indians who are members of a federally recognized tribe.

HOW DOES YOUR INCOME AFFECT YOUR SSI BENEFIT?

Step 1: We subtract any income that we do not count from your total gross income. The remaining amount is your "countable income".

Step 2: We subtract your "countable income" from the SSI Federal benefit rate. The result is your monthly SSI benefit as follows:

$$\begin{array}{r} 1) \text{ Your Total Income} \\ \quad \underline{-\text{Your income that we do not count}} \\ \quad =\text{Your countable income} \end{array}$$

$$\begin{array}{r} 2) \text{ SSI Federal benefit rate} \\ \quad \underline{-\text{Your countable income}} \\ \quad =\text{Your SSI Federal benefit} \end{array}$$

THE FOLLOWING EXAMPLES ARE BASED ON SAMPLE DOLLAR AMOUNTS:

EXAMPLE A – SSI Federal Benefit with UNEARNED INCOME

Total monthly income = \$300 (Social Security benefit)

$$\begin{array}{r} 1) \$300 \text{ (Social Security benefit)} \\ \quad \underline{-20 \text{ (Not counted)}} \\ \quad =\$280 \text{ (Countable income)} \end{array}$$

$$\begin{array}{r} 2) \$637 \text{ (SSI Federal benefit rate)} \\ \quad \underline{-280 \text{ (Countable income)}} \\ \quad =\$357 \text{ (SSI Federal benefit)} \end{array}$$

EXAMPLE B – SSI Federal Benefit with EARNED INCOME

Total monthly income = \$317 (Gross wages)

- 1) \$317 (Gross wages)

-20	(Not counted)
\$297	
-65	(Not counted)
\$232	divided by 1/2
=\$116	(Countable income)

- 2) \$637 (SSI Federal benefit rate)

-116	(Countable income)
=\$521	(SSI Federal benefit)

EXAMPLE C – SSI Federal Benefit and STATE SUPPLEMENT with UNEARNED INCOME

The facts are the same as example A, but federally administered State supplementation is involved.

- 1) \$300 (Social Security benefit)

-20	(Not counted)
=\$280	(Countable income)

- 2) \$637 (SSI Federal benefit rate)

-280	(Countable Income)
=\$357	(SSI Federal benefit)

- 3) \$357 (SSI Federal benefit)

+15	(State supplement payment for an individual living alone)
=\$372	(Total Federal and State SSI benefit)

EXAMPLE D – SSI Federal Benefit and STATE SUPPLEMENT with EARNED INCOME

Total monthly income = \$317 (Gross wages)

- 1) \$317 (Gross wages)

-20	(Not counted)
\$297	
-65	(Not counted)
\$232	divided by 1/2
=\$116	(Countable income)

- 2) \$637 (SSI Federal benefit rate)

-116	(Countable Income)
=\$521	(SSI Federal benefit)

- 3) \$521 (SSI Federal benefit)

+15	(State supplement payment for an individual living alone)
=\$536	(Total Federal and State SSI benefit)



For information on how your living arrangement affects your SSI benefit, see our chapter on [LIVING ARRANGEMENTS](#).

WHEN DOES DEEMED INCOME APPLY?

- When a person who is eligible for SSI benefits lives with a spouse who is not eligible for SSI benefits, we may count some of the spouse's income in figuring the SSI benefit.
- When a disabled or blind child under age 18 lives with parent(s), and at least one parent does not receive SSI benefits, we may count some of the parents' income in figuring the child's SSI benefit.
- When an alien has a sponsor, we may count some or all of the sponsor's income in figuring the SSI benefit.

WHEN DOES DEEMED INCOME NOT APPLY?

- When you no longer live with a spouse or parent.
- When a disabled or blind child reaches age 18.
- When an alien's sponsorship ends.



See our chapters on [SSI RESOURCES](#) and [SSI FOR CHILDREN](#) for more information on deeming to children. Also see our SSI Spotlight on [Deeming Parental Income and Resources](#).

THIS INFORMATION IS GENERAL. FOR MORE INFORMATION, CALL 1-800-772-1213 (TTY 1-800-325-0778), OR CONTACT YOUR LOCAL SOCIAL SECURITY OFFICE.