

## INCOME *(Updated November 29, 2010)*

Clients are required to pursue, accept, and use all possible income and other means of support before *income assistance* or *disability assistance* may be issued.

It is in the client's best long-term interest for those able to work, to integrate into the workforce as quickly as possible.

The amount of assistance is determined by deducting the amount of non-exempt income calculated in Schedule B from the amount of shelter and support allowances determined under Schedule A.

Eligibility for income assistance is income tested

Income (Schedule B) received by the client is deducted from the amount of their support and shelter allowances (Schedule A) unless otherwise specified.

- Shelter/support allowance include only those items listed in Schedule A.
- Supplements are not provided within Schedule A.

Definitions

**Earned income:**

- any money or value received in exchange for work or providing service
- tax refunds
- refunded pension plan contributions because of insufficient contributions to create a pension
- money or value received from renting rooms or providing room and board

**Unearned income:**

- money, annuities, stocks, bonds, shares and interest-bearing accounts **or properties**
- cooperative **associations** as defined in the *Real Estate Development Marketing Act*
- pensions: war disability; military; war veterans'; Worker's Compensation; disability; any type or class of Canada Pension Plan benefits
- widow's or orphan's allowances
- insurance benefits, except insurance paid as compensation for a destroyed asset
- benefits: superannuation; union or lodge
- Employment Insurance (EI)
- financial assistance under *EA Act/EAPWD Act* or another province
- a trust or inheritance
- rental of tools, vehicles or equipment
- rental of land, self-contained suites or other property except the residence of an applicant or recipient
- interest earned on a mortgage or agreement for sale
- maintenance under a court order, separation agreement, or other agreement
- education or training allowances, grants, loans, bursaries, or scholarships
- a lottery or a game of chance
- any financial awards or compensation
- federal Old Age Security and Guaranteed Income supplement payments
- financial contributions made by a sponsor as defined in the *Immigration and Refugee Protection Act (Canada)* or the *Immigration Act (Canada)*

<p>Calculating Income</p>	<p>For the purposes of administering the Act and regulation, income is defined as either “earned” or “unearned”.</p> <p><b>Step One</b> Determine if the funds/value received meet the definition of earned or unearned income.</p> <ul style="list-style-type: none"> <li>The money or value received must be “net” new to be considered income. <i>E.G., funds received from the sale of a vehicle (if no profit) are not considered “net” new. It is simply changing the form of an asset from one form to another.</i></li> </ul> <p><b>NOTE:</b> Funds received from the sale of an asset ARE subject to asset limits. If a client sells a vehicle and does not buy another exempt asset, while the funds are not income, they are assets. If the client’s total assets exceed their limit, the client will be ineligible for assistance.</p> <p><b>Step Two</b></p> <ul style="list-style-type: none"> <li>List all income.</li> <li>Determine if each income is either earned or unearned.</li> <li>Review Schedule B, Sections 1, 2 &amp; 3 if income is earned to determine if the income may be deducted or exempted from the calculation of the amount of income received.</li> <li>Review Schedule B, Sections 1, 6 &amp; 7 if income is unearned to determine if the income may be deducted or exempted from the calculation of the amount of income received.</li> </ul> <p><b>Step Three</b></p> <ol style="list-style-type: none"> <li>Update (INC U) screen on MIS using the appropriate income codes.</li> <li>Ensure supporting documentation is scanned <b>and profiled to the appropriate service request in ICM.</b></li> <li><b>Add applicable comments to the ICM service request.</b></li> </ol>
<p>Linkages</p>	<p><b>ICM; MIS; Weekly Employment Monitoring Reports (WEM-Reports); Monthly Report (SD0081).</b></p> <p>Ministry staff may also receive other information that a client has found employment or is receiving other earned or unearned income.</p> <p>See Quick Reference Guide: <b>Calculation of Assets</b></p>

**OLR → Verification and Eligibility → Income and Exemptions**

**Policy:**  
**Staff:** [https://qww.hsd.gov.bc.ca/intranet/meia/online\\_resource/verification\\_and\\_eligibility/incandex/current/policy.html](https://qww.hsd.gov.bc.ca/intranet/meia/online_resource/verification_and_eligibility/incandex/current/policy.html)  
**Public:** [http://www.gov.bc.ca/meia/online\\_resource/verification\\_and\\_eligibility/incandex/policy.html](http://www.gov.bc.ca/meia/online_resource/verification_and_eligibility/incandex/policy.html)

**Forms and Letters:**  
**Staff:** [https://qww.hsd.gov.bc.ca/intranet/meia/online\\_resource/verification\\_and\\_eligibility/incandex/current/forms.html](https://qww.hsd.gov.bc.ca/intranet/meia/online_resource/verification_and_eligibility/incandex/current/forms.html)  
**Public:** [http://www.gov.bc.ca/meia/online\\_resource/verification\\_and\\_eligibility/incandex/forms.html](http://www.gov.bc.ca/meia/online_resource/verification_and_eligibility/incandex/forms.html)