

MS 5400

DEDUCTIONS - GENERAL

Deductions from income are allowed only for specific expenses.

A. The following deductions are allowed:

1. Earned income deduction of 20% of the gross countable earned income;
2. Standard deduction of:
  - [a. \$142 for household size up to 3]
  - b. \$153 for household size of 4
  - c. \$179 for household size of 5
  - d. \$205 for household size of 6 or more

For purposes of determining the standard deduction amount, the household size is the number of active eligible members;

3. Medical deductions of any expenses totaling more than \$35 for elderly or disabled members;
4. Dependent care deduction;
5. Child support deduction;
6. [Shelter costs in excess of 50% of the household's income after all other deductions, not to exceed the maximum shelter deduction of \$458 unless the household contains an elderly or disabled member. Households containing an elderly or disabled member receive a shelter deduction for the total monthly shelter costs that exceed 50% of the household's monthly income after all other appropriate deductions are given; and]
7. Homeless shelter deduction of \$143 in lieu of shelter deductions.

B. The following are nondeductible expenses:

1. Any portion of an expense which is to be or has been reimbursed;
2. Any portion of an expense which is paid on behalf of the household by a third party as a vendor payment;
3. Any expenses for services rendered by a household member such as dependent care or caretaker services (example: elderly grandmother pays granddaughter to take care of her, granddaughter is a member on the grandmother's case. This is nondeductible);
4. Any medical expenses for household members who are not elderly or disabled; and

5. Any portion of a bill carried forward from past billing periods even if they are included in the most recent billing and they are paid by the household.
6. Mandatory Severance tax for the extraction of Natural Resources from land.