

**INCOME CALCULATIONS - Answers**

1. George Jetson is a salaried employee for Spacely's Space Sprockets. George is paid twice a month and his gross paycheck each pay period is \$600. Calculate George's annual income.

\$ 14,400 ( $\$600 \times 24$ )

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2. George's daughter Betsy is a student at Central Community College and reports \$100 per week in income from a part-time job at the "Daily Grind" café. What annual income will you count for Betsy?

\$ 480

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3. George's dad Robert is a retired carpenter. He occasionally does small jobs for other residents and is sometimes paid with "cookies and coffee" but he guesses he might have earned as much as \$300 in tips last year. How much will you count as income in the coming year?

\$ 0

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4. Jack and his son, Philip, live in your development. Jack also has joint custody of his 3 year old daughter who lives with his ex-wife. Jack pays \$150/month to his ex for the daycare of his daughter. Will you allow Jack a child care deduction for this amount?

No

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5. At Victoria's last annual recertification you counted the \$150/month that her mother (who does not live in the unit) pays monthly toward her car payment. Victoria has requested an interim recertification stating that her mother is no longer making this payment. Instead she is buying groceries for Victoria's family a couple times a month. Would you permit the interim? Yes  X  No \_\_\_\_\_

What additional verification would you require? \_\_\_\_\_ *Verification that mother is not paying*

6. Terry and Donna are a young married couple residing in a Section 8 complex. Terry works at a fast food restaurant and Donna also works there part time while attending the local hairdressing academy as a full time student. Both Terry's and Donna's employment incomes must be included in the family's annual income.

**True**

False

7. A family whose sole source of income is payment for the care of foster children will show zero annual income.

**True**

False

8. Compute the income for the following household:

<u>Head:</u>	Receive one time lottery payment of \$25,000	_____
<u>Spouse:</u>	Employment earnings of \$1,550 monthly	<u>\$ 18,600</u> .
<u>Mother-in-law:</u>	Lump Sum Social Security Payment \$7860	_____
	Monthly Social Security of \$715	<u>\$ 8,580</u> .
<u>Daughter:</u>	Interest on savings at \$90 per year	<u>\$ 90</u> .
	<i>Total income to be included on the 50059</i>	<u>\$27,270</u> .

9. Daryl Rockland is a 55 year old person with disabilities living with his elderly parents. The parents have established a special needs trust to provide income for their son after they are gone. The trust is not revocable; neither the parents nor the son currently have access to the principal or interest. In calculating income, will the O/A count any income from the trust?

Yes

**No**

10. Rodrigo Ramirez holds an annuity with a currently value of \$50,000 earning interest at an annual rate of 4.5%. Rodrigo recently began receiving monthly annuity payments of \$475. The holder of the annuity verified that Rodrigo can no longer convert it to a lump sum of cash. What portion of the annuity will be counted as:

Income: \$ 5,700 .

Asset: \$ 0 .