



## Supplemental Security Income (SSI) Student Earned Income Exclusion

### What Parents of Disabled Students Need to Know

One of the Social Security Administration's (SSA) highest priorities is to help people with disabilities achieve independence by encouraging them to take advantage of employment opportunities. Employment supports are available to assist your child to enter or re-enter the work force and help protect eligibility for cash payments and/or health care.

Many of you are hesitant to let your child work because you think that the additional income may affect eligibility for SSI payments and/or Medicaid (Medi-Cal in California) coverage. In most cases by working, your child could receive additional income over and above what he/she is now receiving on SSI alone.

In addition to the **Student Earned Income Exclusion** explained below, SSA provides a **General Exclusion** of \$20 that is first applied to any unearned income that your child may receive. If your child had no unearned income, the \$20 exclusion is used to reduce any countable earned income after the Student Earned Income Exclusion is applied. SSA also has an **Earned Income Exclusion** that benefits *all* SSI recipients who work. Countable earned income, after the two exclusions above have been applied, is reduced by not counting the first \$65 of earnings in a month plus one-half of the remainder. This means that we count less than one-half of your child's earnings when figuring the SSI payment amount.

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### Student Earned Income Exclusion

How does it help your child?

**If your child is under age 22 and regularly attending school, we do not count up to \$1,700 of earned income in a month when we figure the SSI payment amount. The maximum amount that we can exclude is \$6,840 in a calendar year.**

These amounts are for the year 2012; they are adjusted each year based on the cost-of-living.

What is the definition of "regularly attending school?"

"Regularly attending school" means that your child takes one or more courses of study and attends classes:

- In a college or university for at least 8 hours a week; or
- In grades 7-12 for at least 12 hours a week; or
- In a training course to prepare for employment for at least 12 hours a week (15 hours a week if the course involves shop practice); or
- For less time than indicated above for reasons beyond the student's control, for example illness

If your child is home taught because of a disability, he/she may

be considered "regularly attending school" effective 12/18/06 when he/she is instructed at home:

- In grades 7-12, and
- For at least 12 hours per week, and
- In accordance with the home school law of the State or other jurisdiction in which he/she resides

We apply the **Student Earned Income Exclusion** before the **General Exclusion** and the **Earned Income Exclusion**. This means that if your student child earns less than \$1,700 in each month up to a maximum of \$6,840 in 2012, his/her SSI payment will not be affected by those earnings.

## How does it work?

### Example

Tim, a student under age 18 and receiving SSI, lives with his parents in California. Tim starts working in June 2012 at a local hardware store. He had no prior earnings during the year, and has no unearned income. Tim earns **\$1800** a month in June, July and August. In September, when he returns to school, Tim continues working part-time. He earns **\$950** a month in September and October. We count his income for June through October as shown below: (SSI payment rates vary depending on the household living arrangement and whether your child is under age 18 or age 18-21).

#### June, July and August

\$1800 Gross Earnings  
-1700 Student Earned Income Exclusion  
\$ 100 Balance  
- 20 General Exclusion  
\$ 80 Balance  
- 65 Earned Income Exclusion  
\$ 15  
-7.50 One Half Remainder  
\$ 7.50 *Countable Income*

**Tim has now used up \$5,100 of his \$6,840 yearly Student Earned Income Exclusion** (\$1,700 in each of the three months).

#### September

\$950 Gross Earnings  
-950 Student Earned Income Exclusion  
0 *Countable Income*

**Tim has now used up \$6,050 of his \$6,840 yearly Student Earned Income Exclusion.** (\$6,840 less the \$6,050 already used leaves \$790 for the remainder of the year)

#### October

\$950 Gross Earnings  
-790 Student Earned Income Exclusion remaining  
\$160 Balance  
- 20 General Income exclusion  
\$140 Balance  
- 65 Earned Income Exclusion  
\$75  
-37.50 One-Half Remainder  
\$37.50 *Countable Earned Income*

**Tim has exhausted his entire \$6,840 yearly Student Earned Income Exclusion. The Student Exclusion cannot be applied to any additional earnings during the calendar year.**

Up-to-date information on employment supports is on our web site at [www.socialsecurity.gov/work](http://www.socialsecurity.gov/work). If you have any additional questions about how your child working may affect his/her eligibility, call our toll-free number at 1-800-772-1213. You can speak to a live representative from 7 a.m. to 7 p.m. Monday through Friday or get recorded information 24 hours a day, seven days a week.