



Food Distribution National Policy Memorandum

United States
Department of
Agriculture

Food and
Nutrition
Service

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Center Drive

Alexandria, VA
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DATE: March 31, 2008

POLICY NO.: FD-073: Commodity Supplemental Food Program (CSFP), The
Emergency Food Assistance Program (TEFAP)

SUBJECT: Rebates from the Economic Stimulus Act of 2008

The Economic Stimulus Act provides for rebates to many low and middle-income households. Specifically, section 101(d) of the Act states:

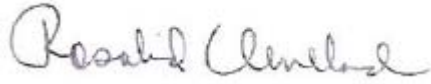
(d) Refunds Disregarded in the Administration of Federal Programs and Federally Assisted Programs - Any credit or refund allowed or made to any individual by reason of section 6428 of the Internal Revenue Code of 1986 (as amended by this section) or by reason of subsection (c) of this section shall not be taken into account as income and shall not be taken into account as resources for the month of receipt and the following 2 months, for purposes of determining the eligibility of such individual or any other individual for benefits or assistance, or the amount or extent of benefits or assistance, under any Federal program or under any State or local program financed in whole or in part with Federal funds.

CSFP and TEFAP will exclude these rebate checks from income when determining eligibility, determining allotments, and for all other purposes. This policy will be the case for all households in all States.

There are no resource limits applied in determining eligibility for participation in CSFP or the amount or extent of benefits provided through the program. Therefore, rebate checks will not impact these decisions for CSFP applicants or participants.

States do, however, have the discretion to impose resource limits in determining the eligibility of households applying for participation in TEFAP and the amount or extent of benefits provided. Therefore, States which impose such a limit must exclude rebate checks as a resource for the month of receipt and for the next 2 months. In these States, any household that receives a rebate and deposits it into an account (with or without) other funds would have the value of that account reduced by the amount of the rebate for the 3-month period. If the rebate is held as cash, it would not be counted.

This policy applies to all applicant households as well as any household that reports a change in resource level. If the household indicates that it has exceeded its resource limit due to the rebate amount at the end of the 3-month period, action must be taken in accordance with requirements established by the State agency.



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