

## .27 Financial Account Deposits and Withdrawals



This section is about how certain financial account types are treated as income, including Achieving a Better Life Experience, educational savings accounts, and limited liability company business accounts.

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### Policy

FAA treats money deposited or withdrawn for certain financial accounts as income. For more information about this type of income, see **each** of the following:

- [Achieving a Better Life Experience \(ABLE\)](#)
- [Educational savings account](#)
- [Limited liability company \(LLC\) Business Account](#)

### Achieving a Better Life Experience

ABLE establishes saving accounts with funds for persons with a disability. The participant can use the funds towards a plan or contract for disability-related expenses.

FAA considers the funds deposited into or withdrawn from an ABLE account as not countable unearned income.

ABLE savings accounts meet the requirements in Section 529A of the Internal Revenue Code of 1986.

AZ ABLE administers Arizona's ABLE plan, and other states may have a different name for ABLE.

Arizona has partnered with the Ohio Treasurer's Office to offer STABLE Accounts to qualified beneficiaries.

For treatment ABLE as a resource, see Savings Accounts.

### Educational Savings Account

Payments from educational savings accounts established to meet qualified higher education expenses are not countable as unearned income, including **any** of the following.

- A 529 educational savings account.
- A 530 educational savings account.

(For treatment as a resource, see [Educational Savings Accounts - FIAC](#))

## Limited Liability Company Business Account

When money is withdrawn from a [limited liability corporation\(g\)](#) business account to pay for personal expenses and the business has elected to be treated as a corporation, the money is countable as earned income.

Personal expenses include, and are not limited to, **any** of the following:

- Car payment
- Entertainment
- Food
- Homeowner's insurance
- Mortgage payment
- Utility payment

When the account is an Individual Development Account (IDA), see [IDA](#) for more information.

Countable income is used to determine an income budget. (See [Income Budgeting](#) to see how FAA determines the income budget.) FAA needs to know about income that is both countable and not countable to determine whether a budgetary unit's income is exceeding their expenses. (See [Income Eligibility](#) for more information about how FAA uses countable and not countable income.)

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## Procedures

To help identify an ABLE savings account, **all** of the following are applicable:

- All AZ ABLE accounts have the word "ABLE" in the title.
- For a list of other state ABLE accounts, see the [ABLE National Resource Center](#) website.

When the participant is present, have them sign the Authority to Release (FAA-1765A) form to contact any companies or businesses involved. The FAA-1765A can be faxed or emailed to the participant's employer when it is not possible to use the Application for Benefits (FAA-0001A) or the HEAplus Authority to Release signed statement.

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## Verification

System interface and the [case file\(g\)](#) must be reviewed before verification is requested. No additional verification is needed when AZTECS interface or HEAplus hubs have verified the information.

The participant has the primary responsibility for providing verification. (See [Participant Responsibilities – Providing Verification](#) for additional policy.)

For NA, **all** of the following income is required to be verified before eligibility is determined:

- Reported on a new application, during the interview of a new application, or changes reported before the eligibility determination of a new application.
- Changes after an eligibility determination of a new application (e.g., a renewal application, mid approval contact, etc.) and **any** of the following apply:

The source of the income has changed.

The income is [questionable\(g\)](#) or [unclear\(g\)](#).

The reported income amount has changed by \$51 or more.

The previous verification in the case file is more than 59 calendar days old.

For CA, all income is required to be verified before determining eligibility.

Examples of verification that can be used for financial accounts include, and are not limited to, **any** of the following:

- Assistance payments records
- Benefit award letters from agencies
- Bank records
- Court records or court orders
- Insurance policies
- Statement from the agency or payer providing the income
- Participant statement verification when not questionable and no other verification is available
- Bookkeeping records

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### AZTECS Keying Procedures

Key the appropriate AZTECS screen for **each** of the following:

- For Achieving a Better Life Experience (ABLE), complete **all** of the following:  
Key the income on UNIN.  
Key the OX Unearned Income Code in the INC TYPE field.
- For educational accounts, complete **all** of the following:  
Key the income on UNIN.  
Key the OX Unearned Income Code in the INC TYPE field.
- For limited liability company business accounts, complete **all** of the following:  
Key the income on EAIC.  
Key the OT Earned Income Code in the INC TYPE field.

Document the [case file\(g\)](#) thoroughly to support keyed codes, amounts, and frequencies. See the [AZTECS Data Entry Guide](#) for instructions on keying the AZTECS income screens.

NOTE Documentation must support determinations of eligibility and benefit level. Document in sufficient detail to ensure that any reviewer can assess whether the determination is reasonable and accurate. Include specific information regarding the reason the income is determined to be normal. (See [Budgeting Income Documentation Requirements](#) for additional information.)

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### **Legal Authorities**

Public Law 107-16

[Prior Policy](#)

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