

CCC Lottery or Gambling Winnings

REVISION

49

(01/01/21 –12/31/21)

Winnings from lotteries, or any other form of gambling are countable as unearned income in the month received.

Key the WN Unearned Income Code in the INC TYPE field on UNIC.

When any participant in an NA budgetary unit receives the gross lottery or gambling winning equal to or more than the Winnings Reporting Amount in a single game, the entire budgetary unit is no longer eligible to receive NA benefits. See [Winnings Reporting](#) for the amount.

NOTE The ineligibility does not apply to CA budgetary units.

When multiple participants shared in the purchase of a ticket, hand, or similar bet, then only the portion of the winnings allocated to the member of the NA budgetary unit is counted toward the NA eligibility determination.

NOTE This change in income may be reported in any of the following ways:

- Directly by the NA budgetary unit
- Discovered through system reports
- Reported by a third party

When the verification is not provided with the reported change, send the Information Needed (F011) notice to verify the receipt of lottery or gambling winning equal to or more than the Winnings Reporting Amount.

Some acceptable forms of verifications are as follows:

- Financial records
- A statement signed by the participant

NOTE Both simplified and standard NA budgetary units must report lottery or gambling winnings equal to or more than the Winnings Reporting Amount.

When verified, deny or close the case with the WN denial or closure reason code and send the Lottery Denial/Closure (F208) notice allowing for a [notice of adverse action \(NOAA\)](#). When verification is not provided, stop the benefits allowing for NOAA on the next workday after the information due date and send the appropriate [closure notice](#).

The budgetary unit may reapply at any time for NA benefits. When the budgetary unit reapplies, the [categorical eligibility](#) criteria does not apply. The application is processed under the following income and resource standards:

- The budgetary unit's gross monthly income cannot exceed the 130% of the current [Federal Poverty Limit \(FPL\)](#).
- Resources must be verified to determine that the budgetary unit meets the [NA resource limit](#).

When the budgetary unit reapplies, any remaining lottery or gambling winnings are countable as a resource. The budgetary unit must pass the NA resource limit to be considered eligible for NA benefits again.

Key any money remaining as a resource. When the test displays PASS in the FS Resource Determination (FSRD) AZTECS screen, continue to key all applicable AZTECS screens to process the eligibility determination.

When the case fails the resource determination test, review the information to ensure it is correct. Deny the case on FS Eligibility Determination (FSED) AZTECS screen using the WN denial reason code and send the F208 notice.

NOTE NA budgetary units are required to meet the resource limit upon each reapplication after the ineligibility until they are determined eligible again. Every recertification after that would allow for categorical eligibility.

When the composition of that NA budgetary unit changes or any member of the household leaves, the following applies:

- The original budgetary unit no longer exists, and any remaining members are considered as a new budgetary unit when they reapply

FAA4.H Unearned Income (UNIN UNIC) : 03 Types of Unearned Income - Overview : CCC
Lottery or Gambling Winnings

- A participant who chooses to reapply, alone or as a member of an existing budgetary unit, is considered separate from the unit that had substantial lottery or gambling winnings

NOTE Winnings are not countable for [Pascua Yaqui Tribal TANF](#).
For NA, key the OF Unearned Income Code in the INC
TYPE field on UNIC.