

HHH Vendor Payments

Vendor payments are NOT COUNTABLE.

A vendor payment is money that is not paid directly to the budgetary unit, but is paid to a third party for the budgetary unit's expenses.

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

FS EXCEPTION

Count vendor payments made instead of child support when either of the following apply:

- The court has ordered payment be made directly to the budgetary unit
- The support is otherwise legally obligated to the FS budgetary unit (See [Countable Support - FS](#))

CA WARNING

Allow the [A2](#) payment standard when vendor payments are made for [shelter expenses](#) for three or more consecutive months.

FS WARNING

When [dependent care](#), [FS medical expenses](#) or [shelter expenses](#) are paid by vendor payment, the following apply:

- Do not allow the portion of the deduction that is paid by the vendor payment.
- Allow any portion of the expense that exceeds the monthly payment amount paid by the vendor payment. Key the amount using the appropriate Expense Code on EXNS.

When the ALLOWABLE expense is paid by a third party as a loan that must be repaid see [Expenses of FS Participants](#)