46. Lump Sum Income

46.1 Lump Sum Income (Earned or Unearned)]

46.1.1 Definition

Lump sum income is any earned or unearned income received by the AU which is non-recurring and therefore not expected to continue. Such nonrecurring lump sum income must be treated as property in the month of receipt under the Semi-Annual Reporting (SAR) rules and must not be used to determine benefit amounts. Property eligibility requirements for CalWORKs are determined only once per SAR period. [Refer to "Property - General," page 14-1]].

Examples of non-recurring Lump sum income include, but are not limited to the following:

- Retroactive Social Security payments,
- Income from free-lance work,
- Bonuses,
- Retroactive Unemployment Insurance Benefits,
- Retroactive State/Private Disability Benefits.

46.2 Anticipated Lump Sum Income

46.2.1 Rule

Use anticipated income which is reported on the SAR 7 to determine prospective eligibility for the upcoming SAR payment period. No other assessment of property can be made for that SAR payment period.

46.2.2 Mid-Period Reporting

If an AU reports nonrecurring lump sum income as exceeding the IRT, the EW should not consider this as income to be used in redetermining the AU's financial eligibility. The AU is only required to report receipt of nonrecurring lump sum income on the SAR 7. [Refer to "Property - General," page 14-1]

SAR rules do not require any mid-period reporting of property changes, and the EW can NOT act on any voluntarily reported mid-period change in property that would decrease the cash grant or result in discontinuance.