

Earned Income; Defined

Earned income is income received in exchange for an individual's physical or mental labor. Earned income includes all of the following:

- (1) Compensation for services performed, including wages, salaries, commissions, tips, sick leave, vacation pay, draws, or the sale of blood or plasma.
- (2) Income from on-the-job-training, paid job experience, JOBS Plus work experience, or Welfare-to-Work work experience.
- (3) In-kind income, when an individual is an employee of the person providing the in-kind income and the income is in exchange for work performed by the individual, or when received as compensation from self-employment.
- (4) For self-employment, gross receipts and sales, including mileage reimbursements, before costs.
- (5) In:
 - (a) The Supplemental Nutrition Assistance Program (SNAP), *cafeteria plan* (see OAR [461-001-0000](#)) benefits, and funds placed in a flexible spending account.
 - (b) The *Medicare Savings Programs* (see OAR 461-001-0000) and Oregon Supplemental Income Program Medical (OSIPM), *cafeteria plan* benefits that an employee takes as cash. Funds placed in a flexible spending account are treated in accordance with OAR 461-145-0528.
 - (c) All programs except the *Medicare Savings Programs*, OSIPM, and SNAP program, *cafeteria plan* benefits that an employee takes as cash, and funds placed in a flexible spending account.
- (6) Income from work-study.

- (7) Income from profit sharing that the individual receives monthly or periodically, except as provided in OAR [461-145-0089](#) for *Medicare Savings Programs* (see OAR [461-001-0000](#)) and Oregon Supplemental Income Program Medical (OSIPM).
- (8) The fee for acting as an individual's representative payee, when that individual is not included in the *filing group* (see OAR [461-110-0310](#)).
- (9) In the SNAP program, expenditure by a business entity that substantially benefits a *principal* (see OAR [461-145-0088](#)).
- (10) The income a *principal* (see OAR [461-145-0089](#)) earns working for a corporation, unless the individual can be considered self-employed under OAR [461-145-0910](#) or OAR [461-145-0915](#).
- (11) For *Medicare Savings Programs* and OSIPM, a non-business expenditure – including, but not limited to, a personal car or housing payment – paid by an individual's corporation or *business entity* (see OAR [461-145-0089](#)) that benefits the individual.

Statutory/Other Authority: ORS [329A.500](#), [409.050](#), [411.060](#), [411.070](#), [411.404](#), [411.706](#), [411.816](#), [412.049](#), [413.085](#), [414.685](#)

Statutes/Other Implemented: ORS [329A.500](#), [409.010](#), [411.060](#), [411.070](#), [411.404](#), [411.706](#), [411.816](#), [412.049](#), [413.085](#), [414.685](#), [414.839](#)

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