

**461-145-0145**  
**Educational Account**

**Effective 10-01-18**

- (1) The Individual Education Account (IEA) is an asset accrued by JOBS Plus participants. The IEA is excluded while it accumulates, while it is saved, and when it is withdrawn for educational purposes.
- (2) For purposes of this rule, “educational expenses” are tuition, fees, and other necessary expenses for education at any educational institution. Examples of other necessary expenses for education include books, laboratory fees, student activity fees, transportation, stationary supplies, technology fees, and impairment-related expenses necessary to attend school or perform schoolwork (such as special prosthetic devices necessary to operate school machines or equipment). “Educational expenses” do not include the cost of shelter.
- (3) In the OSIP, OSIPM, and QMB-DW programs:
  - (a) Funds in a Qualified Tuition Programs under Section 529 of the Internal Revenue Code are treated as follows:
    - (A) They are a *countable* (see OAR [461-001-0000](#)) resource to the individual who owns the account.
    - (B) They are excluded as a resource for the beneficiary, unless the beneficiary is also the owner.
  - (b) Funds in a Coverdell Education Savings Accounts are treated as follows:
    - (A) They are excluded as a resource to the designated beneficiary.
    - (B) If the contributor is not a designated beneficiary, funds deposited into the account are no longer the resource of the contributor beginning with the month after the month the cash is transferred. The transfer may be considered a disqualifying transfer of resources by the contributor under OAR [461-140-0210](#) and [461-140-0220](#).

- (c) Distributions from a Coverdell Education Savings Account to a designated beneficiary are treated as follows:
    - (A) *Educational expenses* (see section (2) of this rule) are excluded as income in the month of receipt.
    - (B) If the excluded distribution is retained into the month following the month of receipt, it is excluded as a resource for nine months beginning with the month after the month of receipt.
    - (C) If the beneficiary spends any portion of a distribution for a purpose other than the *educational expenses* of the beneficiary, or no longer intends to use the funds for the *educational expenses* of the beneficiary, the non-education portion of the funds is *countable* as unearned income at the earlier of the following:
      - (i) The month the funds are spent.
      - (ii) The month the beneficiary no longer intends to use the funds for *educational expenses*.
    - (D) If a *countable* distribution is retained into the month following the month of receipt, it is a *countable* resource of the designated beneficiary. See OAR [461-145-0150](#) for information on other types of educational income.
  - (d) Gifts that are set aside to pay *educational expenses* are treated in accordance with subsection (c) of this section, except that the exclusion does not apply to any portion set aside or actually used for food or shelter. See OAR [461-145-0150](#) for information on other types of educational income.
- (4) In the QMB-BAS, QMB-SMB, and QMB-SMF programs:
- (a) Funds held in a Qualified Tuition Program under Section 529 of the Internal Revenue Code or a Coverdell Education Savings Accounts are excluded as a resource.

- (b) Distributions from a Coverdell Education Savings Account to a designated beneficiary are treated as follows:
  - (A) They are excluded as income in the month of receipt.
  - (B) If the excluded distribution is retained following the month of receipt, it is excluded as a resource.
  - (C) If the beneficiary spends any portion of a distribution for a purpose other than the *educational expenses* of the beneficiary, or no longer intends to use the funds for the *educational expenses* of the beneficiary, the non-education portion of the distribution is *countable* as unearned income at the earlier of the following:
    - (i) The month the funds are spent.
    - (ii) The month the beneficiary no longer intends to use the funds for educational expenses.
- (5) In the SNAP program, the value of funds in a qualified tuition program under section 529 of the Internal Revenue Code or in a Coverdell education savings account is excluded.

Statutory/Other Authority: ORS [329A.500](#), [409.050](#), [411.060](#), [411.404](#), [411.706](#), [411.816](#), [413.085](#), [414.025](#), [414.685](#)

Statutes/Other Implemented: ORS [329A.500](#), [409.010](#), [411.060](#), [411.404](#), [411.816](#), [413.085](#), [414.025](#), [414.685](#)

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