

FINANCIAL ASSISTANCE

Railroad Retirement Act Benefits

The Federal Railroad Retirement Act offers retirement and disability annuities for qualified railroad employees, spousal annuities for their wives and husbands, and survivor benefits for the families of deceased employees who were insured under the Act. These programs are administered by the United States Railroad Retirement Board and are very similar to Social Security benefits; eligibility is determined in much the same manner. If both railroad and Social Security benefits are payable, however, the railroad benefits may be reduced.

For more information, contact or visit the following:

U.S. Railroad Retirement Board
Roanoke, Virginia, District Office
210 First Street, Room 460
P.O. Box 270
Roanoke, VA 24002
Telephone: (540) 857-2335

U.S. Railroad Retirement Board
Richmond, Virginia, Branch Office
700 Center Building
704 East Franklin Street, Suite 232
Richmond, VA 23219
Telephone: (804) 771-2997

Railroad Retirement Helpline
(800) 808-0772

Also available upon request from the United States Railroad Retirement Board offices is an information pamphlet entitled *Railroad Retirement and Survivor Benefits*. This pamphlet describes the retirement and disability annuities provided for employees under the Railroad Retirement Act and the benefits available to their spouses and survivors. Medicare, unemployment and sickness insurance payments, and other benefits paid by the Railroad Retirement Board are described in separate pamphlets.

The Food Stamp Program

Introduction

With food costs rising ever higher, millions of older Americans on fixed incomes have difficulty obtaining food “basics” necessary for a proper diet. If you meet the income guidelines, the Food Stamp Program may be able to help you stretch your food budget. As the name suggests, the Food Stamp Program, administered by the federal government, provides funding for food, as well as plants and seeds to grow food. The Food Stamp Program explicitly excludes by regulation such nonfood items as alcoholic beverages, pet food, vitamins, medicines, tobacco, and cigarettes.

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Food Stamp Myth

Many think that the Food Stamp Program is only designed to help the desperately poor. This is not true. As of October 2004, a single person is allowed up to \$1,009 gross income monthly. A couple may make as much as \$1,354 gross income per month, and a family of four may earn up to \$2,043 gross income per month, and still qualify for allotments of food stamps. Any household of two persons, one of whom is either elderly or disabled, may earn up to \$1,041 net income per month, and a household of four persons containing at least one disabled or elderly member may earn up to \$1,571 net income per month and still be eligible for food stamps. Recipients of food stamps also may own a car, a home of any value, as well as income-producing property, subject to some restrictions.

Households may own up to \$2,000 in liquid resources, and households with at least one member who is 60 or older or is disabled may have liquid resources valued to \$3,000 or less. The Food Stamp Program evaluates only liquid assets. Personal belongings, household items, vehicles, life insurance, and burial sites are excludable resources. Households that receive Temporary Assistance for Needy Families (TANF), Supplemental Security Income (SSI), or other General Relief (GR) are eligible for food stamps without other limitations applying. There may be limitations for those individuals who receive TANF or SSI but live with other members of the household who do not receive such assistance.

Applying for Food Stamps

To apply for food stamps, visit your local department of social services (ldss), request an application by phone, or ask someone to get an application for you. Be sure to fill in the form completely. Each county and city in Virginia has its own social service agency. The phone numbers and addresses are in your telephone book. The Virginia Department of Social Services (DSS) has links to addresses and phone numbers for all local agencies in Virginia. The DSS Web site may be accessed at www.dss.state.va.us. If your household has little or no money and needs help right away, let the Food Stamp office know. You may be eligible under the "expedited service" rules to receive food stamps within seven days of the application date if you are classified as homeless or are a member of a low-income family.

Because benefits for a month are prorated based on the day of the month the application is filed, it's important to get a signed and dated application to your local agency, even if you can't come in or stay for an interview that day. If you are unable to visit the office because of age, disability, work hours or transportation difficulties, you may ask an authorized representative to apply for you, or you may request a telephone interview. You may visit the DSS Web site, and determine if you are eligible by using the prescreening tool available there.

After you have turned in your application, a worker will hold a confidential interview with you or another member of your household at the DSS office. If no one in your household can go, an adult friend or relative who knows your circumstances may go for you. If you are 65 or older, disabled, or suffer other hardships and cannot go to the food stamp office, let the office know. A worker will arrange to interview you at home or by telephone.

When you visit the agency, be sure to have verification of the following with you:

- identify;
- income, both earned and unearned;

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- shelter expenses—rent or mortgage, taxes, utility bills;
- medical expenses for any elderly or disabled persons in your household;
- dependent care expenses;
- court-ordered child support.

Having the verifications with you will facilitate the process.

Eligibility

You must reside in the area and be a U.S. citizen or lawfully admitted alien, and register for work unless you are over 60 or meet other exemptions. Bring proof of countable assets to the interview to expedite your case. In most cases, your house and surrounding lot, one car, household goods and personal belongings, and life insurance policies will not be counted as resources. You must provide proof of your Social Security number.

A “household” (*See* 7 U.S.C. § 2012 (i)(1)(Supp.I 2000)) is defined as:

- a person or group of persons living alone; or
- a person or group of persons living with others but usually purchasing and preparing meals separately, or
- a group of individuals who live together and customarily purchase food and prepare meals together.

Only households with net monthly incomes below the allowable limits may qualify for food stamps. These limits go up with increases in the size of the family and are adjusted twice yearly to reflect changes in the cost of living. Persons who are caretakers of minor children may apply for and receive food stamps as separate households and share the same residence. Persons with earned income must file monthly report forms with the local Food Stamp office. All persons, except for those who are disabled or elderly, will have their allotted food stamps determined retrospectively. For example, a person’s income and expenses for March will determine the allotment for May. You may prove your income by recent pay stubs, information given by your employer, pension information, and benefit letters from the Social Security or Veterans’ Administration. Check with your local Food Stamp office to determine current allowable income for your household.

After adding income of all members of the household, the worker can subtract certain deductions such as the standard deductions for every household (\$134 for a household of 4 or more, \$153 for 5 or more, and \$175 for 6 or more), a 20% deduction for earned income, dependent care (including care for disabled adults), and high-housing costs. Proof of these expenses may include bills or records of payment of rent or mortgage, house insurance, property taxes, electricity, gas, oil, sewerage, telephone, and water.

If you are eligible for food stamps, you should receive your stamps no later than 30 days from the date you first applied. If you do not qualify, a written notice will explain why. If your local office requires you to pick up your stamps but you cannot, arrange to have someone that you have named pick them up for you.

Be sure to report any changes in your household’s circumstances by calling your caseworker or sending in the form provided by the Food Stamp office. If you receive extra food stamps because you have not reported a change, you will owe the Food Stamp Program the value of these stamps.

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What to Do if Refused

If you think that your application has been wrongly denied or that you have not received the right amount of food stamps, you should tell the Food Stamp office right away. If they disagree with you, you have the right to request a review by a hearing officer.

You may have a friend or relative attend the hearing with you, or you may wish to obtain the services of a legal aid or private attorney.

In some cases, you can continue to receive your regular allotment of food stamps while you await the hearing officer's decision. If the hearing officer decides in your favor, you will receive the correct amount of food stamps. If the decision is in favor of the Food Stamp office, you will be asked to repay the value of any stamps you were not entitled to receive.

Federal Tax Relief

Federal Income Taxes

Certain types of income are taxed, while others are not. For example, gifts and interest earned on certain municipal bonds are not taxed. Salary and wages, payments from a pension plan, and investment income are forms of taxable income. If your income exceeds a certain level, your Social Security payments may be taxable for federal income tax purposes. Included in the instructions for the IRS Form 1040 is a worksheet that will help you figure whether any part of your Social Security payments is taxable.

When you file an income tax return, you are allowed a **personal exemption**, unless you are eligible to be claimed as a dependent by someone else. In some instances, you are allowed **additional exemptions** if you provide primary support for a dependent (such as a parent, child, or grandchild).

Federal Income Tax Credit

You may be eligible for a 15% tax credit if your income does not exceed the specified level, and:

- you were 65 years of age before the close of the tax year; or
- you are permanently and totally disabled.

This credit will reduce the tax you owe, but it will not result in a refund. Contact your tax advisor or local IRS office if you think you may be eligible for the federal tax credit. The IRS also provides publications, such as *Older Americans' Tax Guide* and *Credit for the Elderly or the Disabled*, which provide helpful tax information.

Earned Income Credit

You may be eligible for the Earned Income Credit if you are working and you have a child or grandchild who lives with you. The tax credit is available to anyone who maintains a home for himself and a child who is under the age of 19, a student, or disabled. The credit is available only if you have less than the specified level of income. Earned income for this tax credit includes salaries, tips, and earnings from self-employment. Pension and annuity payments are not included. This tax credit may reduce the tax you have to pay and may even result in a refund.