

***Net Income of Temporary Cash Assistance Recipients  
Compared with Persons Working At Various Wage Levels***

[ THREE PERSON HOUSEHOLD UNIT ]

	<b>TCA Only</b>	20 hrs @ \$ 5.15 <u>With TCA</u>	40 hrs @ \$ 5.15 Without TCA	40 hrs @ \$ 6.00 Without TCA	40 hrs @ \$ 7.00 Without TCA	40 hrs @ \$ 8.00 Without TCA	40 hrs @ \$ 9.00 Without TCA	40 hrs @ \$ 10.00 Without TCA
Gross Monthly Earnings (1)	0	\$412	\$824	\$960	\$1,120	\$1,200	\$1,440	\$1,600
Advanced Fed/EIC (2)	0	82	125	125	125	118	103	79
FICA/Medicare @ 7.5%	0	-30.90	-61.80	-72.00	-78.00	-90.00	-108.00	-120.00
Work Expenses (3)	0	-51.50	-103.00	-110.00	-115.00	-120.00	-125.00	-130.00
Net Earnings	0	\$411.60	\$784.20	\$903.00	\$1,052.00	\$1,110.00	\$1,310.00	\$1,429.00
Child Care Subsidy (4)	0	555	692	671	637	600	514	466
Child Support (5)	0	0	158	158	158	158	158	158
T C A Grant	\$482	257	0	0	0	0	0	0
Food Stamps (6)	\$386	349	248	209	167	155	107	78
Total Net Monthly Income	868	1,573	1,882	1,941	2,014	2,023	2,089	2,131
<b>Net Annual Income (Prog\Calc)</b>	<b>10,416</b>	<b>18,871</b>	<b>22,586</b>	<b>23,292</b>	<b>24,168</b>	<b>24,276</b>	<b>25,068</b>	<b>25,572</b>
Additional four pays per year		330	659	778	927	992	1,207	1,350
Balance of Fed/EIC, after taxes (7)		1,166	2,704	2,704	2,526	2,129	1,660	1,294
Maryland EIC, after taxes		344	662	612	489	314	111	0
<b>TOTAL ANNUAL INCOME</b>	<b>\$10,416</b>	<b>\$20,711</b>	<b>\$26,612</b>	<b>\$27,386</b>	<b>\$28,110</b>	<b>\$27,711</b>	<b>\$28,046</b>	<b>\$28,216</b>
Annual Child Care Co-pay (8)		-276	-360	-612	-1,020	-1,464	-2,496	-3,072
Medical Assistance (9)	10,325	10,325	10,325	10,325	10,325	10,325	10,325	10,325
<b>ADJUSTED ANNUAL INCOME</b>	<b>\$20,741</b>	<b>\$30,760</b>	<b>\$36,577</b>	<b>\$37,099</b>	<b>\$37,415</b>	<b>\$36,572</b>	<b>\$35,875</b>	<b>\$35,469</b>

Update: Nov 2004

NOTES: [ TCA and Food Stamps computed at October 2004 levels ]

- (1) Earnings computed per the weekly wage multiplied by 4.0 weeks per month.
- (2) Federal Earned Income Credit [ EIC ] available in advance with weekly earnings.
- (3) Assumes 12.5% at minimum wage [ derived from Food Stamp rules ], plus \$5.00 per month added to the base for each higher wage rate.
- (4) Child Care subsidy for full time earnings (40 Hours) based on 1 child full time Center Care; 1 child at 4 hours Center Care; Baltimore City rates.  
For 20 hour pays - Both children in Center Care, both at 4 hours, Baltimore City rates.
- (5) Average Child Support collection amount on TCA cases with court orders, through FY 2004.
- (6) All hypothetical Food Stamp examples are based on \$ 500 shelter cost.
- (7) Remainder of EITC available as a lump sum after filing yearly income tax.
- (8) Amount of customer payment for Child Care based on eligibility for Child Care subsidy in #4.
- (9) FY 2004 TCA-Adult \$ 4,803 TCA-Child \$ 2,761. All customers, who leave TCA with earnings, are eligible for Transitional Medical Assistance (TMA) for twelve months after exit.