**Section 113.141 Exempt Assets**

a) The following assets are exempt from consideration in determining eligibility for assistance and the amount of the assistance payment:

1) Homestead property.

2) Personal Property

A) Personal effects extraordinarily and household goods of reasonable value (reasonable value means the client's equity value in the property does not exceed $2,000). Wedding and engagement rings and items required due to medical or physical condition.

B) Regardless of the value, personal effects and household goods are exempt in determining the amount allowed as the Community Spouse Asset Allowance (as described at 89 Ill. Adm. Code 120.379).

3) Resources (for example, land, buildings, equipment and supplies or tools) necessary for self-support up to $6,000 of the individual's equity in the income producing property, provided the property produces a net annual income of at least 6% of the excluded equity value of the property. The equity value in excess of $6,000 is applied toward the asset disregard. If the activity produces income less than 6% of the exempt equity due to reasons beyond the individual's control (for example, the individual's illness or crop failure) and there is a reasonable expectation that the individual's activity will increase to produce income equal to 6% of the equity value (for example, the medical prognosis is that the individual is expected to respond to treatment or drought resistance corn will be planted), the property is exempt. If the individual owns more than one piece of property and each produces income, each is looked at to see if the 6% rule is met and then the amount of the individual's equity in all of those properties are totaled to see if the total equity is $6,000 or less.

4) Automobile

A) exclude one automobile, regardless of value, used by the client, spouse, or other dependent if:

i) it is necessary for employment;

ii) it is necessary for the medical treatment of a specific or regular medical problem;

iii) it is modified for operation by or transportation of a handicapped person;

iv) it is necessary because of factors such as climate, terrain or distance to provide necessary transportation to perform essential daily activities; or

v) one vehicle for each spouse is exempt in determining the amount allowed as the Community Spouse Asset Allowance (as described at 89 Ill. Adm. Code 120.386).

B) if not excluded in subsection (a)(4)(A), exclude one automobile to the extent the fair market value does not exceed $4,500. Apply the excess fair market value toward the asset disregard (see Section 113.142). The Department will determine fair market value in accordance with 89 Ill. Adm. Code 121.57(b)(2)(D)(iv).

C) for all other automobiles, apply the equity value (fair market value minus any encumbrance) toward the asset disregard (see Section 113.142).

5) Life insurance policies with a total face value of $1,500 or less and all term life insurance policies. If total face value exceeds $1,500, the cash surrender value must be counted as a resource.

b) Burial spaces and funds are exempt as follows:

1) Burial spaces that are intended for the use of the individual, their spouse, or any other member of their immediate family. Immediate family is defined as an individual's minor and adult children, including adopted children and step-children, an individual's brothers, sisters, parents, adoptive parents, and the spouses of these individuals.

2) Funds set aside for the burial expenses of the individual and their spouse, subject to a limit of $1,500 each. This limit will be reduced by the face value of any excluded life insurance policy and the amount of any funds held in an irrevocable trust or other irrevocable arrangement that are available for burial expenses.

3) Interest earned on excluded burial funds and appreciation in the value of excluded burial arrangements that occurred the earlier of the date of first SSI eligibility or the date of AABD eligibility, but no earlier than November 1, 1982 (see 20 CFR 416.1231(b)(5) (2009)).

4) Funds specifically and irrevocably set aside for the professional funeral services and burial expenses of the individual and their spouse, subject to a limit of $7,719 each, including prepaid funeral and burial plans. This amount will be adjusted annually for any increase in the Consumer Price Index for All Urban Consumers (CPI-U).

c) Assets necessary for fulfillment of an approved plan for achieving self support.

d) Trust funds are exempt as follows:

1) The principal of a trust fund only when the instrument establishing the trust specifically states the principal cannot be impaired.

2) The principal of a trust fund established under the Self Sufficiency Trust Fund Program [20 ILCS 1705/21.1].

e) Assets excluded by express provision of 20 CFR 416.1236 (2009).

f) Donations or benefits from fund raisers held for a seriously ill client provided the client or a responsible relative of the client does not have control (for example, not available to the client or the responsible relative) over the donations or benefits or the disbursement of donations or benefits.

g) Payments made to veterans who receive an annual disability payment or to the survivors of deceased veterans who receive a one time lump sum payment from the Agent Orange Settlement Fund or any other fund referencing Agent Orange product liability under P.L. 101-201.

h) Money received from the Social Security Administration under a Plan to Achieve Self-Support (PASS) and held in a separate account.

i) Disaster relief payments provided by federal, state or local government or a disaster assistance organization.

j) The amount of earned income tax credit that the client receives as advance payment or as a refund of federal income tax.

k) The Economic Recovery Payment to recipients of Social Security, Supplemental Security Income (SSI), Railroad Retirement Benefits, and Veterans Disability Compensation or Pension Benefits authorized under section 2201 of the American Recovery and Reinvestment Act of 2009 (26 U.S.C. 6428 note).

l) Payments to eligible persons who served in the United States Armed Forces in the Far East during World War II authorized under section 1002 of the American Recovery and Reinvestment Act of 2009 (38 U.S.C. 107 note).

m) Achieving a Better Life Experience (ABLE) account balance and earnings.

(Source: Amended at 47 Ill. Reg. 12384, effective August 1, 2023)