**Section 117.90 State Income Tax Match**

The Department conducts a yearly State Income Tax Match. Department records are matched with Illinois Department of Revenue records to obtain possible sources of unreported income.

a) Type I-Income Only cases are those cases that received TANF or AABD cash assistance for each month beginning with March of a tax year through February of the next year, reported earned income on the State income tax return for that tax year, but had no earned income budgeted for the months of cash assistance receipt.

b) Type II-Joint Return Only cases are those cases that received TANF cash assistance for each month beginning with March of a tax year through February of the next year, filed a joint State income tax return for that year, but who only had one adult's needs included in the TANF case for the entire period of TANF cash assistance receipt.

c) Type III cases are TANF cash assistance cases that are a combination of Type I and Type II cases, having all characteristics of both types.

d) Each client will be notified of an appointment for an interview, advising of the date, time and place, the reason, a statement of the information obtained from the State Income Tax Match and a list of items to bring to the interview.

e) If the client fails to appear for the interview, the case will be discontinued due to the receipt of income and an overpayment will be determined for the relevant time period.

f) If the client appears for the interview, the following actions will be taken:

1) For Type I and Type III cases, appropriate actions regarding termination or reduction of benefits and determination of any overpayment will be made based on the information provided by the client regarding income and employment.

2) For Type II and Type III cases, the client will be advised that signing the joint income tax refund creates the inference that the income was available to the client and that the Department will consider the income, less the spouse's share based on the Department's Standard of Need, as available, unless the client can prove all or part of the income was not available. The client can do this in one of the following ways:

A) signing an affidavit that the client's signature on the joint income tax return is a forgery or that it was signed under duress;

B) having the spouse sign an affidavit that the client and the spouse did not live together and that the client did not receive or have access to the spouse's income;

C) signing an affidavit that the client did not have access to the spouse's income or only had access to part of the spouse's income;

D) receipt of child support from the spouse during the relevant time period; or

E) stating that an amended State income tax return was filed by the client, with the spouse filing separately, and providing a copy of the amended return.

3) If the client proves that the income was not available, no negative actions will be taken. If the client proves that only part of the income was available, then appropriate actions of termination, reduction or overpayment will be taken based on that information.

g) For all cases, if a client appears for the interview, but then fails to provide the necessary information, the case will be discontinued for failure to cooperate and any overpayment will be calculated based on State Income Tax Match as well as other available information.

(Source: Amended at 37 Ill. Reg. 1884, effective February 4, 2013)