TO: Child and Adult Care Food Program Institutions  
FROM: Mary Ann Chartrand, Director  
Grants Coordination and School Support  
DATE: June 3, 2008  
SUBJECT: Rebates from the Economic Stimulus Act of 2008

This operational memorandum provides guidance regarding the Economic Stimulus Act of 2008 that provides rebates to many low and middle-income households. Specifically, section 101(d) of the Act states:

(d) Refunds Disregarded in the Administration of Federal Programs and Federally Assisted Program – Any credit or refund allowed or made to any individual by reason of section 6428 of the Internal Revenue Code of 1986 (as amended by this section) or by reason of subsection (c) of this section shall not be taken into account as income and shall not be taken into account as resources for the month of receipt and the following 2 months, for purposes of determining the eligibility of such individual or any other individual for benefits as assistance, or the amount or extent of benefits or assistance, under any Federal program or under any State or local program financed in whole or in part with Federal Funds.

The rebate checks made under this act are to be treated as other one-time, lump-sum payments, i.e., they are to be excluded from income when determining eligibility. The reference in the Act to such payments as resources for the month of receipt and 2 months thereafter does not apply to Child Nutrition Programs’ income eligibility determinations.

If you have questions concerning this guidance, contact the Child and Adult Care Food Program (CACFP) office at 517-373-7391.