

## **INCOME DOCUMENTATION REQUIREMENTS**

**Schools must have obtained 2008 income documentation before application acceptance by the administrator or designee. A pupil for whom income documentation is not available must be reported as ineligible.**

The **total adjusted gross income for all household members** as shown (or would be shown if a return was filed) on line 37 of IRS Form 1040, line 21 of IRS Form 1040A, or on line 4 of 1040 EZ, determines MPCP income eligibility. A household is all individuals living at the address shown on the MPCP student application, including parents, grandparents, children, other relatives and unrelated people. Each household member filing a 2008 tax return must provide the school with a copy of the return as documentation of identified income. Foster children or children in the kinship care program are considered a household of one, and only the foster child's income is used.

Gross income includes all items included in "Total Income" on line 22 of Form 1040

### **The following are NOT included in the household income calculation:**

- Public assistance programs such as Wisconsin Works (W2) cash benefits and FoodShare (food stamps), Temporary Assistance for Needy Families (TANF), Caretaker Supplement.
- Child support payments.
- Social security benefits. *If total income for an individual plus ½ of the individual's social security benefits exceed \$25,000 (or exceed a combined total of \$34,000 for individuals filing a joint return), an IRS tax return must be filed and used for income verification by the school.*
- Supplemental Security Income "SSI" benefits are not included in total income.
- Amounts received under W2 by an individual for job access loans, health care coverage, child care subsidies, and transportation assistance. *Amounts received under W2 for trial jobs are considered taxable wages and would be included in household income.*
- Tax credits such as the federal earned income credit, the federal child tax credit, the Wisconsin earned income credit and the Wisconsin homestead credit.

Most MPCP eligible households will also qualify the FEIC, FCTC and /or WHC. Therefore, there should be few instances where a federal income tax form would not be filed for a MPCP qualified household.

Income must be identified and documented for all members of the household. Identification of participation in assistance programs such as free and reduced school lunch, food stamps, and housing does not meet income documentation requirements.

If a household member is required to file a U.S. income tax return, or qualified to be listed as a spouse or dependent, but is not eligible to get a social security number, they can obtain an Individual Taxpayer Identification Number to comply with U.S. tax laws by completing IRS Form W-7P.

### **Income Documentation Forms**

Supplement income documentation forms for use in the following situations are available at the Department of Public Instruction Internet Address: <http://www.dpi.wi.gov/sms/doc/mpcupinm.doc>

*Use of the DPI Developed forms is optional, but if they are not used, the school must use something substantially similar.*

## **INCOME DOCUMENTATION (CONT'D)**

**1. Tax Returns obtained for all individuals currently residing at student's address shown on application.**

A completed MPCP *2009-10 Household Income Eligibility* form with copies of filed 2008 year tax returns for all residents at address shown on student's application is attached. **If only the student, siblings, parents or guardians listed on the tax returns are residing at the application address, the MPCP *2008-09 Household Income Eligibility form* is not necessary.**

**2. One or more individuals residing at the application address had income for 2008 but have not filed a 2008 income tax return at date of application or will not be filing a return.**

A completed MPCP *2009-10 Household Income Eligibility* form, along with copies of documents identifying 2008 calendar year income, including filed tax returns, for all residents at address shown on the student's application is attached.

*The school must have copies of any of the following to document identified income received by household members not filing a 2007 tax return.*

- *Wage or Salary Income: W-2 forms from all employers.*
- *Self-Employment Income: Business papers, such as receipt and expense records, and any financial statements.*
- *Interest Income: Form 1099-INT, bank or other financial institution statements.*
- *Alimony: Court decree, agreement, signed statement by paying party.*
- *Pensions: Form 1099-R, pension benefit statement.*
- *Social Security Benefits: Form SSA-1099, Social Security proof of income letter. Only the taxable portion of social security benefits as calculated by the IRS Form 1040 worksheet is used for this purpose.*
- *Unemployment Compensation: Form 1099-G.*
- *Miscellaneous Other Income: As shown on 1099 forms.*

*The taxable income on the above forms can be reduced by adjustments identified on Form 1040, but documentation must have been obtained for such items. If one or more members of the household are working for cash income and did not file a tax return, the source and annual amount of such payments must be provided in a document signed by the recipient of such income.*

**3. No individuals residing at the application address had 2008 income.**

A completed MPCP *2009-10 Household Income Eligibility* form listing all individuals, related and unrelated, residing at the student's address, along with a signed MPCP *No 2008 Household Income* form or equivalent identifying how basic household needs were met.

**4. A change in household income has occurred resulting in the student being MPCP eligible.**

A completed MPCP *2009-10 Household Eligibility Income* form or 2007 tax return provided under "Situation 1" along with a signed MPCP *Change in 2009-10 Total Income* form or equivalent identifying what has changed in household income that would make the student eligible for the MPCP program is attached.

## **INCOME DOCUMENTATION (CONT'D)**

### **Milwaukee Parental Choice Program (MPCP) Income Documentation Guidelines**

*Use of the forms referenced below is optional. If these forms are not used, the school must use something substantially similar.*

#### **Possible Situations:**

- 1. Tax Returns obtained for all individuals currently residing at student's address shown on application.** A completed MPCP 2009-10 *Household Income Eligibility* form with copies of filed 2008 year tax returns for all residents at address shown on student's application is attached. **If only the student, siblings, parents or guardians listed on the tax returns are residing at the application address, the MPCP 2009-10 *Household Income Eligibility* form is not necessary.**
- 2. One or more individuals residing at the application address had income for 2007 but have not filed a 2008 income tax return at date of application or will not be filing a return.** A completed MPCP 2009-10 *Household Income Eligibility* form, along with copies of documents identifying 2008 calendar year income, including filed tax returns, for all residents at address shown on the student's application is attached.
- 3. No individuals residing at the application address had 2008 income.** A completed MPCP 2009-10 *Household Income Eligibility* form listing all individuals, related and unrelated, residing at the student's address, along with a signed statement identifying how basic household needs were met, is attached. See the MPCP *No 2008 Household Income* form.
- 4. A change in household income has occurred resulting in the student being MPCP eligible.** A completed MPCP 2008-09 *Household Eligibility Income* form or 2007 tax return provided under "Situation 1" along with a signed statement of what has changed from December 31, 2007 that would make the student income eligible for the MPCP program is attached. See the MPCP *Change in 2009-10 Total Income* form.

#### **The following are NOT included in the household income calculation:**

- Public assistance programs such as Wisconsin Works (W2) cash benefits and FoodShare (food stamps), Temporary Assistance for Needy Families (TANF), Caretaker Supplement.
- Child support payments.
- Social security benefits. *If total income for an individual plus ½ of the individual's social security benefits exceed \$25,000 (or exceed a combined total of \$34,000 for individuals filing a joint return), an IRS tax return must be filed and used for income verification by the school.*
- Supplemental Security Income "SSI" benefits are not included in total income.
- Amounts received under W2 by an individual for job access loans, health care coverage, child care subsidies, and transportation assistance. *Amounts received under W2 for trial jobs are considered taxable wages and would be included in household income.*
- Tax credits such as the federal earned income credit, the federal child tax credit, the Wisconsin earned income credit and the Wisconsin homestead credit.

**SEE THE FOLLOWING INCOME ELIGIBILITY FORMS TO BE USED IN LIEU OF TAX RETURNS**

## Milwaukee Parental Choice Program (MPCP) 2009-10 Household Income Eligibility

*Use of this form by the school is optional. If this form is not used, the school must use something substantially similar. All income documentation must be attached to this form*

<b>STUDENT NAME</b>	
<b>PARENT OR GUARDIAN NAME</b>	

- This form is used to determine household income eligibility at the address shown on the application of the above named student for participation in the Milwaukee Parental Choice Program (MPCP) during the 2007-08 school year.
- Copies of all documents presented to the school to identify taxable income must be attached to this form.
- For MPCP purposes, "household" includes all individuals, related and non-related, residing at the application address. Attach additional forms if necessary to list all household members.
- "Other" documentation includes final 2007 wage statements, written statements identifying 2007 cash income, or other documentation of 2007 income.
- **This form is not necessary if a federal income tax return for the household has been provided and only the student, siblings, and parents or guardians are residing at the application address.**

Line	(Column A) List Below the Names of All Individual "Household Members" Residing at Application Address <i>(For Each Individual: Enter 2007 adjusted gross income shown on filed tax return in Column B. If a tax return has not been filed, list total documented income provided for each individual in Columns C, D, and E)</i>	(Column B) Adjusted Gross Income per Filed 2007 Federal Income Tax Return	(Column C) Total 2007 Income per W-2 Forms	(Column D) Total 2007 Income Amount per 1099 Forms	(Column E) Total 2007 Income per Other Documentation
1					
2					
3					
4					
5					
6					
7					
8					
9					
10					
11					
12					
<b>13</b>	<b>Total Lines 1 through 12 in Columns B, C, D, E</b>				
<b>14</b>	<b>Total Combined Household income (TOTAL LINE 13 COLUMNS B, C, D &amp; E) Compare to MPCP Income Limits for Household Size</b>				

<b>Parent or Guardian Signature:</b>	<b>Date Signed</b>
<b>Household Income Determined by:</b> <i>(Identify Name of School Staff Making Determination Below)</i>	<b>Determination Date</b>

## Milwaukee Parental Choice Program (MPCP) Change in 2009-10 Total Income

Use of this form by the school is optional. If this form is not used, the school must use something substantially similar. All income documentation must be attached to this form.

<b>STUDENT NAME</b>	
<b>PARENT OR GUARDIAN NAME</b>	

**EXPLANATION:**

Please briefly describe why the above named student, previously not eligible for participation in the Milwaukee Parental Choice Program under the income restrictions of the program may now qualify:

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**Projected 2008 Total Income Documentation:**

\$		<input type="checkbox"/>	2009 unemployment compensation statements and expected future 2008 total income
\$		<input type="checkbox"/>	Copy of wage statements from all employers during 2009 showing year to date earnings
\$		<input type="checkbox"/>	Letter from current employer(s) that reduction in employment status is permanent for remainder of 2009
\$		<input type="checkbox"/>	Statement of cash income expected during 2009
\$		<input type="checkbox"/>	2008 interest earnings statements and expected future 2009 earnings
\$		<input type="checkbox"/>	Expected other future 2009 income (Source): _____
\$		<b>Total Projected 2009 Income</b>	

**Evidence of present participation in assistance programs:**

- Supplemental Security Income "SSI" (*Not considered income for MPCP purposes*)
- Wisconsin Works "W2" Cash Benefits (*Not considered income for MPCP purposes*)
- Temporary Assistance for Needy Families "TANF" (*Not considered income for MPCP purposes*)
- Food Share "Food Stamps" (*Not considered income for MPCP purposes*)
- Housing Assistance (*Not considered income for MPCP purposes*)
- Other Assistance (Describe) \_\_\_\_\_

I, the parent or guardian of the above named student, hereby certify that a change in expected household income has occurred from that shown on the attached MPCP 2008-09 Household Income Eligibility Form which may result in the above named student being eligible to participate in the Milwaukee Parental Choice Program for the 2009-10 school year.

\_\_\_\_\_  
Parent or Guardian Signature

\_\_\_\_\_  
Date

**Milwaukee Parental Choice Program (MPCP)  
No 2008 Household Income**

*Use of this form by the school is optional. If this form is not used, the school must use something substantially similar.*

<b>STUDENT NAME</b>	
<b>PARENT OR GUARDIAN NAME</b>	

**EXPLANATION**

The attached *2009-10 Household Income Eligibility Form* shows no individual in the above student's household had income. Please briefly describe how basic household needs (food, clothing and shelter) were met in 2008:

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Provide the following in support of the student's application if received:

- Social Security Benefits. Provide a copy of 2008 form 1099 showing social security benefits received. *(Not considered income for MPCP purposes if the recipient had no other taxable income such as wages or interest earnings )*

Provide evidence of 2008 participation in the following assistance programs used to meet basic needs:

- Supplemental Security Income "SSI" *(Not considered income for MPCP purposes)*
- Wisconsin Works "W2" Cash Benefits *(Not considered income for MPCP purposes)*
- Temporary Assistance for Needy Families "TANF" *(Not considered income for MPCP purposes)*
- Food Share "Food Stamps" *(Not considered income for MPCP purposes)*
- Housing Assistance *(Not considered income for MPCP purposes)*
- Other Assistance (Describe) \_\_\_\_\_

I, the parent or guardian of the above named student, hereby certify that no individual residing at the address shown on the student's application for participation in the Milwaukee Parental Choice Program, had any known 2008 income and that basic needs were met as described above.

\_\_\_\_\_  
Parent or Guardian Signature

\_\_\_\_\_  
Date

