

North Carolina Department of Health and Human Services
DIVISION OF CHILD DEVELOPMENT



Michael F. Easley, Governor

Dempsey Benton, Secretary

Cynthia L. Bennett, Director

DIVISION OF CHILD DEVELOPMENT ADMINISTRATIVE LETTER NO. 1-08

TO: Directors of County Department of Social Services
Child Care Coordinators
Directors of Other Child Care Purchasing Agencies

FROM: Cyndie L. Bennett 

ISSUED: March 24, 2008

SUBJECT: Disregard of 2008 Economic Stimulus Payments for Child Care Subsidy Services

As you know, the President recently signed the Economic Stimulus Act of 2008 which will allow eligible taxpayers who meet specific criteria to receive payments during the spring and summer months of 2008. The purpose of this letter is to provide information about the impact on families receiving subsidy services.

The Child Care Bureau (the federal funding agency) has issued a Notice of Mandatory Income Disregard to all Lead Agencies stating that the receipt of these payments can not be counted as income for determining eligibility for federal assistance programs. Therefore, this means the economic stimulus payments are not counted as income for families receiving subsidy services or for families applying. The income disregard is also mandated in the Economic Stimulus Act of 2008 (Public Law 110-185). Additional information regarding the economic stimulus payments is located on the IRS web site at <http://www.irs.gov/newsroom/article/0,,id=179095,00.html>.

Please share this information with all child care staff in your agency. If you have questions about this letter, please contact the Subsidy Services Consultant assigned to your agency.

CLB/RW

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