

Gift Cards & Gift Certificates – Legal Prohibition?

By Theresa M. Varnet, Esq.

There are new rules governing the purchase of gift cards for persons receiving SSI. The problem meeting the new rules (partially excerpted below) is often cards do not have a legal prohibition on sale for cash.

SI 00830.522 Gift Cards and Gift Certificates
Citations: Soc. Sec. Act, as amended, sections 1612(a)(2)(C), 1612(b)(3) and 1612(b)(7);
20 CFR § 416.1121(f).

A. Policy

1. Gift Cards/Gift Certificates as Income

The value of a gift card/gift certificate is income in the month it is received if the gift card/certificate:

- a. Can be used to purchase food or shelter; or
- b. Can be resold.

Absent evidence to the contrary, presume a gift card/certificate can be resold. For example, evidence to the contrary may include a legally enforceable prohibition on resale or transfer of the card imposed by the card issuer/merchant printed on the card. The value of the gift card/certificate is subject to the general rules pertaining to income and income exclusions. See SI 00810.410 for the infrequent or irregular income exclusion policy.

REMINDER:

Any unspent balance remaining on a gift card/certificate is a resource beginning the month following the month the gift card/certificate was received. If personal property is obtained with the gift card/certificate, it must be evaluated.

RESPONSIVE SOLUTIONS

Two simple words that explain our commitment to you. Being responsive is a critical element in building a strong attorney-client relationship. Whether you are a new or existing client, we'll be quick to respond to your needs with the knowledge necessary to find solutions to your legal concerns.

WE HAVE ANSWERS

To learn how we can assist, contact our Special Needs Practice Group Leader Frederick M. Misilo, Jr. at 508.459.8059 or fmisilo@fletchertilton.com.

Theresa M. Varnet

P: 508.459.8079

F: 508.459.8379

E: tvarnet@fletchertilton.com

