

**UNITED STATES DEPARTMENT OF AGRICULTURE  
FOOD AND NUTRITION SERVICE  
ALEXANDRIA, VA 22302-1500**

CHANGE TRANSMITTAL	
CHANGE NUMBER: 4	DIRECTIVE IDENTIFICATION AND NUMBER: FNS Handbook 501
DIRECTIVE TITLE: The Food Distribution Program on Indian Reservations	

This change reissues the net monthly income standards for the contiguous United States (effective October 1, 2006) for the Food Distribution Program on Indian Reservations.

PAGE CONTROL CHART

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Exhibit M	10/31/2005	Exhibit M	8/2006

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Attachment

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**FOOD DISTRIBUTION PROGRAM ON INDIAN RESERVATIONS  
NET MONTHLY INCOME STANDARDS FOR THE CONTIGUOUS UNITED STATES  
(Effective October 1, 2006)**

<u>Household Size</u>	<u>Income Limit</u>
1	\$ 951
2	1,234
3	1,518
4	1,806
5	2,112
6	2,420
7	2,703
8	2,986

Each additional member + \$284

**Computation of Income Eligibility Standards** - The income eligibility limits for each household size are based on the sum of the Food Stamp Program net monthly income limits and the food stamp standard deduction amounts used for the contiguous United States.

**Income Deductions - see 7 CFR 253.6(f)**

**Dependent Care Deduction** - The current maximum allowable dependent care deduction is \$200 for dependent children under 2 years of age, and \$175 for all other dependents.

**Earned Income Deduction** - Households with earned income are allowed a deduction of 20 percent of their earned income.

**Medicare Part B Medical Insurance and Part D Prescription Drug Coverage Premiums** - Households that incur the cost of Medicare Part B medical insurance and/or Part D prescription drug coverage premiums are allowed a deduction for the monthly cost of the premiums.

**Child Support Deduction** - Households that incur the cost of legally required child support to or for a non-household member are allowed a deduction for the amount of monthly child support paid.

(Rev. 8/2006)