An SSI Earned Income Exclusion

SSI Earned Income Exclusions – Rules for Everyone

- First $20 of gross earned income per month disregarded, if not used against unearned income.
- Additional $65 per month of earnings disregarded.
- Impairment Related Work Expenses disregarded.
- One half of remaining earned income disregarded. What remains is countable earned income.
- Countable income is subtracted from SSI base rate to determine the monthly SSI payment.

Blind Work Expenses (BWEs) as Deductions from Earned Income

- If the SSI recipient is statutorily blind, the same earned income exclusions apply and an additional amount of BWEs are also excluded.
- As the list below illustrates, the exclusions do not have to be related to the blindness but need only be work-related.
- Nearly every statutorily blind SSI recipient who is working will qualify for some BWEs.

List of the Most Common Blind Work Expenses

- Federal, state, and local income taxes
- Social Security and Medicare taxes (i.e., FICA)
- Mandatory pension contributions
- Meals consumed during work hours
- Costs for training to use an impairment-related item or an item which is reasonably attributable to work (e.g., cane travel, Braille, computer course for computer operator)
- A guide dog (cost of purchase and all associated expenses, including food, licenses, and veterinary services)
- Transportation to and from work
- Attendant care services (in the work setting, to get a person to and from work and, in some cases, in the home)
- Structural modifications to get a person to and from work
- Medical devices, medical supplies, and physical therapy

A BWE Does Not Have to be Related to Person’s Blindness

- It need only be related to the cost of working.
- It can relate to a second disability, other than blindness (e.g., person with multiple sclerosis can use a wheelchair van service cost as a BWE if it gets him or her to work). However, it can be for a work-related expense unrelated to blindness or another disability (e.g., meals, taxes).
Example: SSI Budget Using Blind Work Expenses

♦ Sam is statutorily blind, lives alone, and makes $27,420 per year ($2,285 per month)
♦ Sam has the following $674 in monthly expenses that qualify as BWEs: income taxes - $115, FICA - $175, union dues - $25, transportation - $115, guide dog expenses - $90, lunches - $154

Calculation of SSI payment:

Step 1 Total earned income: $2285  
   Exclusions ($65 + $20) - 85  
   $2200  

Step 2 Base SSI Rate (NY 2022 living alone) $918  
   Counted income - 526  
   $2200  

SSI benefit $392

½ remainder - 1100  
Blind work expenses - 674  
Counted income $526

If Same Expense Meets Criteria for either BWE or Impairment Related Work Expense (IRWE), Always Use the BWE

♦ The BWE will increase the SSI payment by up to $1 for every $1 of BWE.
♦ The IRWE will increase the SSI payment by no more than $1 for every $2 of IRWE.

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