

ABLE and the Student Earned Income Exclusion Work Support for Transition Age Youth

The Social Security Administration (SSA) encourages students to work. The Student Earned Income Exclusion (SEIE) is a work support that helps Supplemental Security Income (SSI) recipients who work and regularly attend school to keep more of their SSI benefits while continuing their Medicaid eligibility. Saving extra earnings and SSI in an ABLE account can allow students to save for their future goals rather than needing to spend down.

How Does the SEIE Help?

The SEIE allows working SSI recipients, who are under the age of 22 and regularly attending school, to earn up to \$2,350 per month and up to \$9,460 per year without reducing their SSI monthly payment in 2025. The amounts may be adjusted each January based on the cost of living. The SEIE is applied before any other exclusions. This work support offers students the opportunity to work, develop work histories and save money for their goals while continuing their eligibility for SSI and Medicaid.

What Is the Definition of “Regularly Attending School”?

Regularly attending school means that the student takes one or more courses of study and attends classes:

- In a college or university for at least 8 hours a week;
- In grades 7-12 for at least 12 hours a week;
- In a training course to prepare for employment for at least 12 hours a week or 15 hours a week if the course involves shop practice; or
- For less time than shown above for reasons beyond control, such as an illness.

In addition to the requirements above, a person may qualify as a homeschooled student, homebound student, or if attending an online school and additional criteria are met: www.ssa.gov/ssi/spotlights/spot-student-earned-income.htm.

How Does SSA Know Whether an SSI Recipient Is a Student?

When an SSI recipient reports their earnings, it is recommended that they tell SSA they are working, attending school and would like to use the SEIE. SSA will ask for the name, address and telephone number of the school, the number of hours in school and when classes began. SSA may contact the school for verification or may ask for other documentation. SSI recipients can contact benefits counselors for guidance regarding SEIE. Local benefits counselors are listed at www.choosework.ssa.gov.

How Does the SEIE Impact the Student's Cash Benefit?

Below is an example of how the SEIE is applied to an individual who is receiving \$967 per month in SSI, the 2025 Federal Benefit Rate (FBR), where the individual has no other income except their wages.

Important points about SEIE:

- The SEIE is limited to \$2,350 per month up to \$9,460 per year.
- If the student's gross earnings are below \$2,350 for the month, their SSI payment will not change. See **1st Sample Month** (below) to understand this calculation.
- Once the student's monthly gross earnings exceed \$2,350, their SSI payment will decrease for that particular month. See **2nd Sample Month** (below) to understand this calculation.
- Once the student earns \$9,460 in a calendar year, they have used the SEIE for that year.
- A SSI recipient is limited to less than \$2,000 in countable resources per month.
- A person who has a disability which began before age 26 may open an ABLE account. Savings up to \$100,000 within an ABLE account will not count toward resources for SSI, and ABLE savings are not a resource for Medicaid. ABLE savings can be spent on a wide range of Qualified Disability Expenses (QDEs), including education, transportation and housing, and do not impact eligibility for most federal means-tested programs or services:
<https://www.ssa.gov/oact/cola/studentEIE.html>.

Use of the SEIE work support allows students to continue to receive SSI payments while working. Students need to limit their countable resources to below \$2,000. Saving the extra earnings and SSI allows students to save and invest those funds towards their future goals and increased financial independence rather than spending down funds.

In addition, students could qualify for future Social Security Disability Insurance (SSDI) or retirement benefits by earning SSA work credits when they work in a job and contribute to Social Security taxes: <https://www.ssa.gov/pubs/EN-05-10072.pdf>

Samples

1 st Sample Month	
Gross earnings	\$2,040
SEIE	-\$2,350
Countable earned income	\$0
SSI payment calculation	\$967 (FBR) - \$0 countable
SSI total	\$967
Monthly total income	\$2,040 + \$967 = \$3,007 (Countable resources above \$2,000 need to be spent or saved within ABLE)
Best Practice: Use SSI to pay housing expenses; deposit extra in ABLE.	

2 nd Sample Month	
Gross earnings	\$2,440
SEIE	-\$2,350
Countable earned income	\$90
General income inclusion	-\$20
Earned income exclusion	-\$65
½ reduction	\$5/2 = \$2.50
SSI payment calculation	\$967 (FBR) - \$2.50
SSI payment	\$910.50
Monthly total income	\$2,440 + \$964.50 = \$3,404.50 (Countable resources above \$2,000 need to be spent or saved within ABLE)
Best Practice: Use SSI to pay housing expenses; deposit extra in ABLE.	

*If income received is held until the following month, it is then counted as a resource (see <https://secure.ssa.gov/apps10/poms.nsf/lnx/0500810010>).

More information regarding ABLE available at <http://www.ablenrc.org>.