The Supplemental Security Income (SSI) Resource Limit and Common Solutions

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Supplemental Security Income (SSI) provides critical cash assistance for low-income older adults and individuals with disabilities to pay for housing, food, health care, transportation, and other essentials. Under the current rules, which were last updated in 1989, SSI has a resource limit of $2,000 for an individual and $3,000 for a married couple. If someone has countable resources above this asset limit, they cannot receive an SSI payment.

This outdated and exceptionally low resource limit makes it hard for older adults and individuals with disabilities to deal with emergencies when they arise, save money for routine expenses, or make financial plans for their future. People are unable to save for expenses that keep them housed, such as first and last month's rent or their annual property taxes. The resource limit rules can also cause people to lose their SSI and in many cases, Medicaid.

By understanding the existing rules, advocates can help to identify and resolve resource limit problems. Generally, the terms "asset limit" and "resource limit" are used interchangeably. The SSI regulations define a resource as "cash or other liquid assets or any real or personal property that an individual…owns and could convert to cash to be used for his or her support and maintenance." Resources are counted based on the equity an individual has in the resource, meaning the market value minus encumbrances (such as a car loan for a second vehicle). Resources are counted once a month, on the first day of the month.

It is important to determine whether something is a resource that counts for SSI eligibility, or if it is excluded and does not count. SSI resource exclusions ensure that people can have certain items that support basic life needs and promote financial security and keep their SSI.

Not everything a person owns meets the SSI definition of a resource and not all things that meet the resource definition count against the statutory limit. Common examples of things that are NOT a countable resource include:

- The home where you live and all contiguous land is excluded, regardless of value. However, if the individual lives elsewhere, the home is counted. The home may be fixed or mobile and located on land or water. If the individual has the intent to return to the home—no matter how unrealistic the intent—the home still is excluded. This rule is important for a resident of a residential care facility or a nursing facility who is prevented from moving home by a medical condition.
- One vehicle is excluded regardless of value. Examples are cars, trucks, motorcycles, boats, and snowmobiles.
- Personal or household goods, with no limit on value.

- Burial spaces for yourself and immediate family, and prepaid burial/funeral contracts.
- For individuals with a qualified disability that began before age 46, up to $100,000 in an Achieving a Better Life Experience (ABLE) account is excluded.
- A trust account, such as a special needs or pooled trust, set up in accordance with the SSI rules.
- Jointly owned property is excluded where the sale would cause undue hardship for the co-owner because of loss of housing.
- Retroactive (past due) Social Security and SSI payments and under payments are excluded for nine months.
- Federal tax credits and refunds, such as the Earned Income Tax Credit, are excluded for twelve months.
- Certain exclusions on Indian trust fund payments paid to American Indians who are members of a federally recognized tribe.
- The value of a 530A account/Trump Account during the "growth period" of the account which ends December 31 on the calendar year in which the account beneficiary attains age 17.

Resources (and income) that belong to someone else can affect an individual's SSI eligibility, where the following relationships exist: a spouse living in the same household as an eligible individual, a parent living in the same household as an eligible child under age 18, and an eligible immigrant who has a sponsor. The formula for determining the amount of income and resources available to the eligible individual is different in each of the three circumstances.

If an individual transfers a resource for less than fair market value, such as by giving away money, they could be ineligible for SSI for up to a three-year period. This penalty does not apply in certain situations, including but not limited to, if all resources are returned, the transfer of a resource that would have been excludable in the month of the transfer, and if not getting SSI benefits would create undue hardship for the individual.

COMMON SOLUTIONS

Challenge SSI Denials and Payment Suspensions That Are Incorrect

If something is incorrectly counted toward the resource limit, you can appeal that decision. A successful appeal could reverse the decision and allow the person to receive SSI, sometimes retroactively. For resource transfer situations, an appeal could resolve the alleged transfer that is preventing payment; otherwise, the individual would not be able to receive SSI until after the penalty period.

Use Funds on Yourself or on Things That Do Not Count Toward the Resource Limit

When an individual receives a resource that is on the smaller side, such as a small inheritance, the most common question is how to spend down to the resource limit. An individual can spend the excess amount on themselves, on their bills and debts, or pay for excluded resources such as the house they live in and one vehicle. Keeping receipts will help document how the excess amount was spent. This may affect the SSI payment and Medicaid eligibility for one month until the funds are spent or saved.

Save the Funds

An individual can also save funds that do not exceed the resource limit or do not count toward the resource limit. This includes an all-purpose $2,000 for an individual and $3,000 for a married couple and depositing up to the annual contribution limit into an ABLE account, without exceeding an account balance of $100,000. With the recent expansion of ABLE eligibility to individuals with disabilities that began before age 46, more people can now use these accounts to resolve resource limit problems. A person can open an ABLE account at any age. While a special needs or pooled trust is also an option, costs to set up the trust or other factors may negate the benefits.

POLICY SOLUTIONS

SSI resource exclusions help older adults and individuals with disabilities to save money and to pay for basic and important life needs. However, the current options can be complicated to access or limited in scope. One way to improve SSI is to provide more pathways for everyone to save money without barriers. The SSI Savings Penalty Elimination Act (H.R. 2540/S. 1234) would increase the asset limit to a more reasonable amount of $10,000 for an individual and $20,000 for a married couple. This would support people's efforts to save for expected and unexpected expenses and help people to build equity and plan for the future.

The SSI Restoration Act of 2026 (H.R. 7828, S. 4001) seeks comprehensive changes to the entire SSI program. In addition to increasing the resource limit to $10,000 for an individual and $20,000 for a couple (indexed annually for inflation), it raises income disregards allowing wage earners to earn more income, it aims to index maximum monthly SSI payments to 100% of the Federal Poverty Level (it is currently about 75% of the FPL), it eliminates marital and in-kind penalties, extends the period of exclusion for certain payments from resources from nine (9) months to 21 months, and includes other widespread changes.

ADDITIONAL RESOURCES

- Federal Regulations on the Resource Limit
- ABLE National Resource Center