Determining the Value of Motor Vehicles for SNAP

If the entire group is categorically eligible or all vehicles are owned by a categorically eligible member, this calculation is not needed. If all members of the financial group are not categorically eligible, the value of vehicles may affect SNAP eligibility. So when a group has a relatively valuable vehicle (which cannot be excluded) or has several vehicles, the vehicles can cause ineligibility. However, a leased vehicle does not affect eligibility unless the individual has the ability to sell the vehicle.

Step 1: Determine the availability of the vehicle as a resource. Individuals might own or have an interest in a vehicle, but it may not be available to them as a resource.

Step 2: Determine the equity value of all vehicles that are available to the financial group. Total the value for all vehicles to arrive at one equity value.

Equity Value = Fair Market Value - Amount Owed

Using the National Automobile Dealers Association's (NADA) Used Car Guide (or similar publication), look at the "Average Trade-In Value" for the vehicle. The Kelley Blue Book is also available on the internet and at the Staff Tools - APD page:

(http://www.dhs.state.or.us/spd/tools/index.htm#other).

Do not add disability-related apparatus, optional equipment or low mileage to increase the value. Subtract from that amount any amount the individual owes on the vehicle, or any other costs, such as liens. The remainder is the equity value.

Step 3: Subtract $10,000 from the combined equity value of the vehicles.

Step 4: Compare the remaining equity value to the resource limit.

Example 1: *John Smith is applying for SNAP with his wife and two children. They own a 1999 Ford Aerostar van and they owe $1000. Per the Kelley Blue Book, the fair market value is $4375.*

Equity Value = Fair Market Value - Amount Owed

Aerostar = $4,375 - $1,000 = $3,375 Equity Value

How much of the $3375 would count toward their resources?

None, because it is below the $10,000 exclusion.

Example 2: *James Smith is applying for SNAP with his wife. They own a 1998 Ford Ranger (owe nothing) and a 2000 Toyota Camry with which they owe $1000. Per the Kelley Blue Book, the fair market value is $2,200 on the Ranger and $8,900 on the Camry.*

Equity Value = Fair Market Value - Amount Owed

Ranger + Camry = $11,100 -$1,000 = $10,100 Equity Value

How much of the $10,100 would count toward their resources? $100, because it is the amount over the $10,000 exclusion.

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