

## Allowable Income Deductions

The items listed below are deductions that may be taken from gross income to arrive at the adjusted gross income amount. These deductions, if declared, may be subject to verification when a household completes their Medicaid application.



1. Trade and business deductions
2. Certain trade and business deductions of employees (i.e. reimbursed expenses of employees, certain expenses of performing arts, officials, elementary and secondary school teachers, and members of reserve components of the Armed forces of the United States.)
3. Losses from sale or exchange of property
4. Deductions attributable to rents and royalties
5. Certain deductions of life tenants and income beneficiaries of properties
6. Pension, profit-sharing, and annuity plans of self-employed individuals
7. Retirement savings
8. Penalties forfeited because of premature withdrawal of funds from time savings accounts or deposits
9. Alimony
10. Reforestation expenses
11. Certain required repayments of supplemental unemployment compensation benefits
12. Jury duty pay remitted to employer
13. Deduction for clean-fuel vehicles and certain refueling property
14. Moving expenses
15. Archer MSA
16. Interest on education loans
17. Higher education expenses
18. Health savings accounts
19. Costs involving discrimination suits, etc.
20. Attorney's fees relating to awards to whistleblowers.