

# Student Earned Income Exclusion (SEIE)

## What is the Student Earned Income Exclusion (SEIE)?

The Student Earned Income Exclusion (SEIE) is a work incentive for individuals ages 18-22 who receive Supplemental Security Income (SSI) benefits and are in an approved educational and/or vocational program. This work incentive allows qualified individuals to reduce what Social Security Administration calculates as their income by a certain monthly and yearly cap, which allows them to maintain their benefits while earning more money.

In 2023, the monthly cap for SEIE is \$2,040, and the yearly cap is \$8,230. This means if a qualified individual earns \$2,000 in a month from work, none of that income is counted against them when determining their SSI cash benefit. Additionally, the person would still have a total available exclusion of \$6,230 available for 2023.

## What would an example of the SEIE look like?

Juanita is 19 years old, receives SSI and Medicaid, and is enrolled in a New Mexico Project SEARCH program. She is working in the second rotation learning skills for laundering towels, sheets, and clothing in an industrial facility. She earns a stipend of \$1,225.00 per month for her work. How does this impact her overall benefits?

Juanita is eligible for the SEIE which means the Social Security Administration (SSA) reduces the amount of income counted against her cash benefit. For six months of earning \$1,225.00 per month, none of this income counts against Juanita and she is eligible for the full cash benefit. In 2023, this would be \$914 per month. This means Juanita would earn \$1,225 from work plus \$914 from SSI, for a total of \$2,139 of income per month.

In the seventh month, Juanita would hit the yearly cap of \$8,230 for the SEIE, and would be eligible for a deduction of \$880. Even with using the 2023 maximum for the SEIE and with the basic deductions, Juanita would receive \$784 in the seventh month of using SEIE, and her financial outcome in the seventh month would be \$1,225 from work plus \$784 in SSI, for a total of \$2,009.

What about in the eighth month of 2023? Juanita will have used all her SEIE eligibility for the year and will be eligible for other SSI work incentives and deductions including Impairment Related Work Expenses (IRWEs) and 1619(b). If she had an IRWE of \$300 for specialized transportation, her financial outcome for the eighth month of 2023, would be \$1,225 from work plus \$494 from SSI for a total of \$1,719.

## Resources

Impairment Related Work Expenses (IRWEs) - <https://choosework.ssa.gov/Assets/cw/files/FAQ-impairment-related-work-expenses.pdf>

Social Security Administration - <https://www.ssa.gov/oact/cola/studentEIE.html>;

SSA phone #1-800-772-1213 or 1-800-325-0778 (TTY)