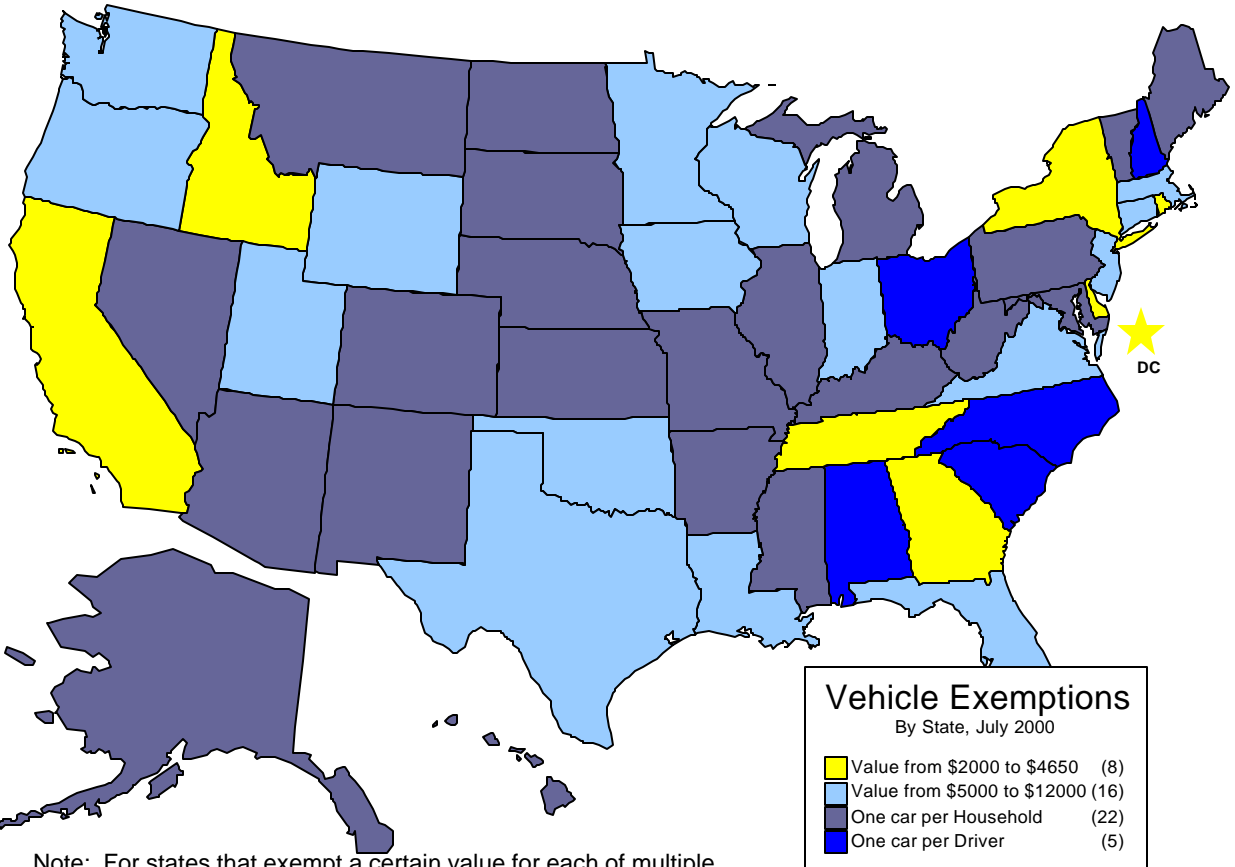




# Fast Facts on Welfare Policy

## Vehicle Asset Exemptions



Note: For states that exempt a certain value for each of multiple vehicles (Texas and Iowa) we assume two vehicles.

In all states, a family applying for TANF may still be ineligible for aid based on the number or value of the family's vehicles. While this is much less likely to occur now than under the AFDC program, in all but the five states that exempt one vehicle per driver, a low-income family might still find itself ineligible due to the value of its vehicles. Even in a state that exempts the entire value of one vehicle per family, a two-parent family with two vehicles might still need to sell one to be eligible for cash assistance.

In the states that exempt a certain dollar amount of vehicle value, an additional aspect of variation is whether the exemption is based on equity value or fair market value. The fair market value is the amount for which a vehicle could be sold, while the equity value is the fair market value minus any amount that the family still owes on the vehicle.

Source: [The Welfare Rules Database](#) The Urban Institute's *Assessing the New Federalism* project. 2000.