

Medical Assistance (MA) [Chapter 600 Income Eligibility](#) >> [606 Types of Income](#) >> Q Corporation

## Q Corporation

Policy

Definitions

Proof

Programs and Legal Authorities

### Policy

How income received from a corporation is counted depends how it is paid. The corporation may withhold taxes from the payments, the payments may be self-employment (no taxes withheld), or the payments may be interest or dividends. See the table below for details on how each type is counted:

If...	Then the income is...
Taxes are withheld from the payments	Wages (see <a href="#">MA606.VVV</a> )
Taxes are not withheld from the payments	Self-Employment (see <a href="#">MA606.CCC</a> )
The payments are dividends	Interest and Dividends (see <a href="#">MA606.KK</a> )

**NOTE** S Corporations are required to report each person's share of profits on their tax forms (Schedule E) even if the corporation did not give the money to the person. Only the income actually received is counted.

### Definitions

Term	Definition

Corporation	A corporation is a legally registered group of people that own a business. A corporation is considered a separate entity from its owners.
-------------	---

## Proof

Income is first obtained through the Federal and State Data Services Hubs. If needed, other proof includes:

- Income tax documents;
- Copy of check stubs;
- Written statement from treasurer of corporation; or
- Collateral contact with treasurer of corporation.

The Arizona Corporation Commission maintains a list of all corporations that have filed documents with the commission. This list is published on the State of Arizona Public Access System (STARPAS) website at:

<http://starpas.azcc.gov/scripts/cgiip.exe/WService=wsbroker1/main.p>

**NOTE** A Limited Liability Company (LLC) may be self-employment or a corporation. If the LLC elected to be classified as a corporation by filing the Entity Classification Election, IRS Form 8832, the LLC is a corporation.

The following chart is used to determine how to classify income from a LLC:

## Programs and Legal Authorities

This requirement applies to the following programs:

Program	Legal Authorities
ALTCS	42 USC 1382a(a)(26)
SSI-MAO	20 CFR 416.1102, 1110(a) and 1121(c)
Medicare Savings Program	AAC R9-22-1909

Adult	42 CFR 435.603
Caretaker Relative	42 CFR 457.10, 300, 301 and 315
Pregnant Woman	
Child	
KidsCare	



Effective Until 10/23/2014