



United States Department of Agriculture
Food and Nutrition Service

Western Region

October 11, 2006

Reply to FSP – Administrative Notice 07-01 FS-2-GEN
Attn of:

Subject: Treatment of **gift** cards for Food Stamp (FSP) purposes

To: ALL WESTERN REGION FOOD STAMP PROGRAM COORDINATORS

As the issue of the treatment of **gift** cards for FSP purposes has not been addressed previously, we are providing the following guidance for your information.

Gift cards can be **used** like cash to purchase goods and services at establishments offering the cards. While they may be **used** in **this** manner, they are strictly speaking, not cash and their use is restricted to establishments offering the cards. Most of these establishments do not offer food for sale.

FSP legislative and regulatory provisions do not either directly or indirectly, address the treatment of **gift** cards for program purposes. While these rules can potentially be interpreted to count **gift** cards **as** a resource, we believe **this** would be inadvisable since attempts to verify the existence and value of the cards during the certification process would be extremely difficult, problematical and subject to error. Gift cards are usually restricted to purchasing a limited range of goods, and are analogous to household goods that have been excluded from resources by longstanding regulations. Gift card amounts are also generally insufficient to significantly affect a household's ability to purchase food. In view of these considerations, **gift** cards are to be excluded from consideration **as** income or resources in determining a household's eligibility or level of benefits for FSP purposes.

· Should you have any questions please contact your state desk officer.

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