



6) In the normal course of events, the 1990 figures for the business were submitted to the Department of Social Welfare for it to use in calculating the amount of Petitioner's food stamp grant.

7) In doing that calculation the Department determined that its regulations do not allow the depreciation included in Petitioner's tax return to be deducted from her business income for purposes of the food stamp program.

8) As a result, the food stamp grant for petitioner and her family was reduced from \$178. to \$114. per month (a loss of \$64.) for the month of March, 1991 and ensuing months. Petitioner's timely appeal of that decision led to this contested case.

9) The depreciation at issue here (\$1650.) consists of the entire purchase price of a used 1980 Pontiac station wagon which Petitioner bought in September of 1990. That car was purchased for use in the business, it was particularly needed to travel to craft shows, which are an important part of petitioner's marketing efforts and result in significant sales.

10) This station wagon has been reserved almost exclusively for use in Petitioner's craft business. It is not generally used for personal travel.

11) The legal issue presented in this appeal concerning the treatment of depreciation in the calculation of food stamp benefits is essentially the same as that raised in Fair Hearings #9776 and #9292 (both decided August 23, 1990) which are now on appeal to the Vermont Supreme Court (docket # 90-472,475).

ORDER

For all the reasons set forth in the "Rationale" at Section II pp. 5 - 9 in Fair Hearing No. 9776, attached hereto, the Department's decision disallowing a deduction from income for depreciation should be reversed, and the matter should be remanded to the Department to consider the petitioner's actual and specific depreciation costs.

# # #