INDIANA
WORKFORCE
DEVELOPMENT
AND ITS WorkOne CENTERS

TO: Indiana's Workforce Investment System

FROM: Teresa L. Voors
Commissioner, Indiana Department of Workforce Development

THROUGH: Mary Johnson
Deputy Commissioner, Unemployment

DATE: January 2, 2009

SUBJECT: DWD Policy 2008-26
Deductible Income Cannot Be Used to Reestablish Unemployment Insurance Benefit Eligibility following Disqualification

Purpose
To explain that wages in lieu of termination notice, termination allowances, accrued vacation pay, severance, separation pay, or other income deductible by law cannot be used to reestablish eligibility for unemployment insurance benefits

Rescission
None

Contents
In the interest of ensuring that eligibility reestablishment is applied in a consistent manner, this Indiana Department of Workforce Development (IDWD) policy sets forth items that cannot be used to reestablish eligibility.

Indiana Code § 22-4-14 details how an individual becomes eligible for unemployment insurance benefits, including the establishment of wage credits while IC § 22-4-15-1 sets forth standards for disqualification for unemployment insurance benefits. IC § 22-4-5-1 and IC § 22-4-5-2 define those amounts considered deductible income, which cannot be used to calculate wages. Consistent with this, IDWD's standard for reestablishing eligibility following disqualification does not allow for the use of:

- wages in lieu of termination notice;
- termination allowances;
- accrued vacation pay;
- severance;
- separation pay; or
- other income deductible by law.

Review Date
December 31, 2009

Ownership
Unemployment Insurance Benefits
Indiana Department of Workforce Development
10 North Senate Avenue
Indianapolis, IN 46204
Telephone: 317.233.0107

Effective Date
January 1, 2009

Action
Indiana's workforce investment system will follow the guidance contained in this policy. Directors and managers will ensure that staff who work with this policy's subject matter are aware of the details contained in this policy and follow its guidelines.