

pension program for nonservice-connected disability or death authorized by this chapter, and lack of sufficient long-range information as to actual and anticipated financial characteristics of potential pensioners and their families upon which to estimate costs of existing alternative pension programs, it was necessary for Administrator of Veterans' Affairs to study existing and alternative nonservice-connected pension programs and to submit a report to Congress and the President not later than Oct. 1, 1977, on alternative courses of legislative and administrative action and long-range cost estimates therefor.

**STUDY OF NEEDS AND PROBLEMS OF VETERANS AND THEIR WIDOWS SEVENTY-TWO YEARS OF AGE OR OLDER; REPORT BY ADMINISTRATOR**

Pub. L. 93-527, § 8, Dec. 21, 1974, 88 Stat. 1705, directed Administrator of Veterans' Affairs to study needs and problems of veterans and their widows seventy-two years of age or older and required him to report to Congress and President not later than one hundred and eighty days after convening of Ninety-fourth Congress results of study together with any recommendations for legislative or administrative action.

**§ 1502. Determinations with respect to disability**

(a) For the purposes of this chapter, a person shall be considered to be permanently and totally disabled if such person is any of the following:

(1) A patient in a nursing home for long-term care because of disability.

(2) Disabled, as determined by the Commissioner of Social Security for purposes of any benefits administered by the Commissioner.

(3) Unemployable as a result of disability reasonably certain to continue throughout the life of the person.

(4) Suffering from—

(A) any disability which is sufficient to render it impossible for the average person to follow a substantially gainful occupation, but only if it is reasonably certain that such disability will continue throughout the life of the person; or

(B) any disease or disorder determined by the Secretary to be of such a nature or extent as to justify a determination that persons suffering therefrom are permanently and totally disabled.

(b) For the purposes of this chapter, a person shall be considered to be in need of regular aid and attendance if such person is (1) a patient in a nursing home or (2) blind, or so nearly blind or significantly disabled as to need or require the regular aid and attendance of another person.

(c) For the purposes of this chapter, the requirement of "permanently housebound" will be considered to have been met when the veteran is substantially confined to such veteran's house (ward or clinical areas, if institutionalized) or immediate premises due to a disability or disabilities which it is reasonably certain will remain throughout such veteran's lifetime.

(Pub. L. 85-857, Sept. 2, 1958, 72 Stat. 1134, § 502; Pub. L. 88-664, § 6(b), Oct. 13, 1964, 78 Stat. 1095; Pub. L. 90-77, title I, § 102, Aug. 31, 1967, 81 Stat. 178; Pub. L. 94-169, title I, § 106(2), Dec. 23, 1975, 89 Stat. 1017; Pub. L. 94-432, title II, § 201, Sept. 30, 1976, 90 Stat. 1369; Pub. L. 101-508, title VIII, § 8002(a), Nov. 5, 1990, 104 Stat. 1388-342; renumbered § 1502 and amended Pub. L. 102-83, §§ 4(b)(1),

(2)(E), 5(a), Aug. 6, 1991, 105 Stat. 404-406; Pub. L. 107-103, title II, § 206(a), Dec. 27, 2001, 115 Stat. 990; Pub. L. 109-233, title V, § 502(3), June 15, 2006, 120 Stat. 415.)

**Editorial Notes**

**PRIOR PROVISIONS**

Prior section 1502 was renumbered section 3102 of this title.

Another prior section 1502, Pub. L. 85-857, Sept. 2, 1958, 72 Stat. 1171; Pub. L. 86-721, § 3, Sept. 8, 1960, 74 Stat. 820; Pub. L. 87-815, § 7, Oct. 15, 1962, 76 Stat. 927; Pub. L. 89-138, § 2(2), Aug. 26, 1965, 79 Stat. 578; Pub. L. 90-631, § 1(a), Oct. 23, 1968, 82 Stat. 1331; Pub. L. 92-540, title I, § 101(1), title III, § 301, Oct. 24, 1972, 86 Stat. 1074, 1080; Pub. L. 93-508, title I, § 101(2), Dec. 3, 1974, 88 Stat. 1578; Pub. L. 94-502, title I, § 104(1), Oct. 15, 1976, 90 Stat. 2384, related to the basic entitlement of veterans with service-connected disabilities to vocational rehabilitation under chapter 31 of this title, prior to the general revision of chapter 31 of this title by Pub. L. 96-466. Section 802(a)(3) of Pub. L. 96-466, set out as an Effective Date note under section 3100 of this title, provided that this prior section 1502 continue in effect until Mar. 31, 1981.

Prior section 1502A, Pub. L. 87-591, § 1, Aug. 16, 1962, 76 Stat. 393, which related to vocational rehabilitation for blinded veterans, was repealed by Pub. L. 89-138, § 2(3), Aug. 26, 1965, 79 Stat. 578.

**AMENDMENTS**

2006—Subsec. (b)(2). Pub. L. 109-233 substituted "blind, or so nearly blind or significantly disabled as to" for "helpless or blind, or so nearly helpless or blind as to".

2001—Subsec. (a). Pub. L. 107-103 substituted "such person is any of the following:" and pars. (1) to (4) for "such a person is unemployable as a result of disability reasonably certain to continue throughout the life of the disabled person, or is suffering from—

"(1) any disability which is sufficient to render it impossible for the average person to follow a substantially gainful occupation, but only if it is reasonably certain that such disability will continue throughout the life of the disabled person; or

"(2) any disease or disorder determined by the Secretary to be of such a nature or extent as to justify a determination that persons suffering therefrom are permanently and totally disabled."

1991—Pub. L. 102-83, § 5(a), renumbered section 502 of this title as this section.

Subsec. (a)(2). Pub. L. 102-83, § 4(b)(1), (2)(E), substituted "Secretary" for "Administrator".

1990—Subsec. (a). Pub. L. 101-508 amended introductory provisions generally. Prior to amendment, introductory provisions read as follows: "For the purposes of this chapter, a person shall be considered to be permanently and totally disabled if such person is sixty-five years of age or older or became unemployable after age 65, or suffering from—".

1976—Subsec. (a). Pub. L. 94-432 inserted "or became unemployable after age 65," after "or older".

1975—Subsecs. (a) and (b). Pub. L. 94-169 substituted "such person" for "he".

Subsec. (c). Pub. L. 94-169 substituted "such veteran's" for "his" wherever appearing.

1967—Subsec. (a). Pub. L. 90-77, § 102(a), provided for consideration of a person sixty-five years of age or older as permanently and totally disabled.

Subsec. (b). Pub. L. 90-77, § 102(b), added cl. (1) and designated existing provisions as cl. (2).

1964—Subsec. (c). Pub. L. 88-664 added subsec. (c).

**Statutory Notes and Related Subsidiaries**

**EFFECTIVE DATE OF 2001 AMENDMENT**

Pub. L. 107-103, title II, § 206(b), Dec. 27, 2001, 115 Stat. 991, provided that: "The amendment made by sub-

section (a) [amending this section] shall take effect as of September 17, 2001."

#### EFFECTIVE DATE OF 1990 AMENDMENT

Pub. L. 101-508, title VIII, §8002(b), Nov. 5, 1990, 104 Stat. 1388-342, provided that: "The amendment made by subsection (a) [amending this section] shall apply with respect to claims filed after October 31, 1990."

#### EFFECTIVE DATE OF 1976 AMENDMENT

Amendment by Pub. L. 94-432 effective Jan. 1, 1977, see section 405(b) of Pub. L. 94-432, set out as a note under section 1521 of this title.

#### EFFECTIVE DATE OF 1975 AMENDMENT

Pub. L. 94-169, title I, §106, Dec. 23, 1975, 89 Stat. 1017, provided that the amendment made by that section is effective Jan. 1, 1976.

#### EFFECTIVE DATE OF 1967 AMENDMENT

Amendment by Pub. L. 90-77 effective first day of first calendar month which begins more than ten days after Aug. 31, 1967, see section 405 of Pub. L. 90-77, set out as a note under section 101 of this title.

#### EFFECTIVE DATE OF 1964 AMENDMENT

Amendment by Pub. L. 88-664 effective Jan. 1, 1965, see section 11 of Pub. L. 88-664, set out as a note under section 1503 of this title.

### § 1503. Determinations with respect to annual income

(a) In determining annual income under this chapter, all payments of any kind or from any source (including salary, retirement or annuity payments, or similar income, which has been waived, irrespective of whether the waiver was made pursuant to statute, contract, or otherwise) shall be included except—

(1) donations from public or private relief or welfare organizations;

(2) payments under this chapter;

(3) amounts equal to amounts paid by a spouse of a veteran for the expenses of such veteran's last illness, and by a surviving spouse or child of a deceased veteran for—

(A) such veteran's just debts,

(B) the expenses of such veteran's last illness, and

(C) the expenses of such veteran's burial to the extent such expenses are not reimbursed under chapter 23 of this title;

(4) amounts equal to amounts paid—

(A) by a veteran for the last illness and burial of such veteran's deceased spouse or child, or

(B) by the spouse of a living veteran or the surviving spouse of a deceased veteran for the last illness and burial of a child of such veteran;

(5) payments regarding reimbursements of any kind (including insurance settlement payments) for expenses related to the repayment, replacement, or repair of equipment, vehicles, items, money, or property resulting from—

(A) any accident (as defined by the Secretary), but the amount excluded under this subparagraph shall not exceed the greater of the fair market value or reasonable replacement value of the equipment or vehicle involved at the time immediately preceding the accident;

(B) any theft or loss (as defined by the Secretary), but the amount excluded under this subparagraph shall not exceed the greater of the fair market value or reasonable replacement value of the item or the amount of the money (including legal tender of the United States or of a foreign country) involved at the time immediately preceding the theft or loss; or

(C) any casualty loss (as defined by the Secretary), but the amount excluded under this subparagraph shall not exceed the greater of the fair market value or reasonable replacement value of the property involved at the time immediately preceding the casualty loss;

(6) profit realized from the disposition of real or personal property other than in the course of a business;

(7) amounts in joint accounts in banks and similar institutions acquired by reason of death of other joint owner;

(8) amounts equal to amounts paid by a veteran, veterans' spouse, or surviving spouse or by or on behalf of a veteran's child for unreimbursed medical expenses, to the extent that such amounts exceed 5 percent of the maximum annual rate of pension (including any amount of increased pension payable on account of family members but not including any amount of pension payable because a person is in need of regular aid and attendance or because a person is permanently housebound) payable to such veteran, surviving spouse, or child;

(9) in the case of a veteran or surviving spouse pursuing a course of education or vocational rehabilitation or training, amounts equal to amounts paid by such veteran or surviving spouse for such course of education or vocational rehabilitation or training, including (A) amounts paid for tuition, fees, books, and materials, and (B) in the case of such a veteran or surviving spouse in need of regular aid and attendance, unreimbursed amounts paid for unusual transportation expenses in connection with the pursuit of such course of education or vocational rehabilitation or training, to the extent that such amounts exceed the reasonable expenses which would have been incurred by a nondisabled person using an appropriate means of transportation (public transportation, if reasonably available);

(10) in the case of a child, any current-work income received during the year, to the extent that the total amount of such income does not exceed an amount equal to the sum of—

(A) the lowest amount of gross income for which an income tax return is required under section 6012(a) of the Internal Revenue Code of 1986, to be filed by an individual who is not married (as determined under section 7703 of such Code), is not a surviving spouse (as defined in section 2(a) of such Code), and is not a head of household (as defined in section 2(b) of such Code); and

(B) if the child is pursuing a course of post-secondary education or vocational rehabilitation or training, the amount paid by such child for such course of education or voca-