

Medical Waiver Payments

Medicaid Waiver Payments (MWP) are payments made by a state, county, or agency to a care provider for non-medical support to an individual.

The care provider and the care recipient must live in the same home.

The provider may exclude MWP from taxable income and may include MWP as earned income.

There are various ways that MWP may be reported as income but if it is on a W2 then there is an option in Taxslayer on the W2 input form to include it as earned income. Otherwise it will not be included and will not be taxed.

The IRS addresses MWP [HERE](#).

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