

SELF-EMPLOYMENT WORKSHEET INSTRUCTIONS

1. An Applicant must complete a Self-Employment Worksheet and provide supporting documentation to substantiate self-employment for the 365 days preceding the Date of Application if an Applicant’s self-employment income cannot be documented by a federal tax return for the most recent or previous calendar year.
2. Examples of situations where a self-employed Applicant would be required to complete a Worksheet:
 - a. Applicant does not file a tax return for self-employment income.
 - b. Self-employed Applicant is not required to file a tax return per IRS guidelines.
 - c. Applicant is newly self-employed and has not yet filed a tax return for his/her business or rental income.
 - d. Applicant’s rental income cannot be documented by a federal tax return for the most recent or previous calendar year.
 - e. Self-employed Applicant provides IRS documentation that is incomplete or ambiguous. In such cases, the Applicant’s income would be based on the gross amount of their self-employment and/or rental earnings minus business expenses.
3. Supporting documentation for the previous 365 days (or the number of days in business) prior to the Date of Application must be provided to substantiate the gross amount of self-employment and/or rental earnings declared on the Worksheet. Cash receipts, bank statements, business journals, ledgers, and/or accountant’s records may be used to verify self-employment and rental income. If the Applicant does not provide adequate supporting documentation, the Application will be denied.
4. If the Household is using the three (3) month income verification period, self-employment and/or rental income for the previous 365 days prior to the Date of Application will be divided by four (4) to prorate to three (3) months.

5. COMPLETING THE SELF-EMPLOYMENT WORKSHEET

A. INTAKE WORKER COMPLETES									
(1)	CAA’s (Agency) name, address, phone number, fax number, and email								
(2)	Primary Applicant’s name								
(3)	Date of Application								
(4)	Application ID#								
(5)	Period covered by the Income Worksheet (from/to dates)								
	<table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr style="background-color: #f2f2f2;"> <th colspan="2" style="text-align: left; padding: 2px;">Examples:</th> </tr> <tr style="background-color: #f2f2f2;"> <th style="width: 50%; padding: 2px;">Date of Application</th> <th style="width: 50%; padding: 2px;">365 Day Period Covered</th> </tr> </thead> <tbody> <tr> <td style="padding: 2px;">Dec. 1, 2020</td> <td style="padding: 2px;">Dec. 1, 2019 to Nov. 30, 2020</td> </tr> <tr> <td style="padding: 2px;">Dec. 10, 2020</td> <td style="padding: 2px;">Dec. 10, 2019 to Dec. 9, 2020</td> </tr> </tbody> </table>	Examples:		Date of Application	365 Day Period Covered	Dec. 1, 2020	Dec. 1, 2019 to Nov. 30, 2020	Dec. 10, 2020	Dec. 10, 2019 to Dec. 9, 2020
Examples:									
Date of Application	365 Day Period Covered								
Dec. 1, 2020	Dec. 1, 2019 to Nov. 30, 2020								
Dec. 10, 2020	Dec. 10, 2019 to Dec. 9, 2020								
(6)	Enter the applicable “Month/Year” in each column. Be sure to include any partial months during the 365 day period preceding the Date of Application.								
	<table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr style="background-color: #f2f2f2;"> <th style="text-align: left; padding: 2px;">Example:</th> </tr> </thead> <tbody> <tr> <td style="padding: 2px;">Date of Application: December 10, 2020 365 day period covered: 12/10/2019 to 12/09/2020. The gross amount of self-employment income received between 12/10/2019 and 12/09/2020 must be documented by month/year received. Therefore, the CAA would list the thirteen (13) months so as to capture self-employment income earned between December 2019 and December 2020.</td> </tr> </tbody> </table>	Example:	Date of Application: December 10, 2020 365 day period covered: 12/10/2019 to 12/09/2020. The gross amount of self-employment income received between 12/10/2019 and 12/09/2020 must be documented by month/year received. Therefore, the CAA would list the thirteen (13) months so as to capture self-employment income earned between December 2019 and December 2020.						
Example:									
Date of Application: December 10, 2020 365 day period covered: 12/10/2019 to 12/09/2020. The gross amount of self-employment income received between 12/10/2019 and 12/09/2020 must be documented by month/year received. Therefore, the CAA would list the thirteen (13) months so as to capture self-employment income earned between December 2019 and December 2020.									

B. APPLICANT/BUSINESS OWNER COMPLETES

- (1) Name of Household member with self-employment and/or rental income
- (2) Description of the business or trade (ex. Construction, rental property, landscaping)
- (3) Business Start Date
- (4) If business is located in Applicant's home, indicate the number of rooms used for business.
- (5) Period covered by the worksheet (13 months)
- (6) For all self-employment and/or rental income:
 - a. Gross amount earned each month/year. Include the amount received for goods and/or services. Applicant must provide proof of their gross receipts or sales, i.e. cash receipts, journal, ledger, bank statements, accountant's records, etc.
 - b. Gross amounts of earnings for all months within the 365 days preceding the Date of Application must be documented (not blank). If the gross amount earned for a month is zero, the Applicant must enter zero (0).
 - c. Enter the total gross amount for the 365 days preceding the Date of Application.
- (7) Applicant/Business Owner signs and dates to certify the information is true, correct, and complete to the best of his/her knowledge.

C. CERTIFIER WILL

- (1) Review and verify the completed/signed Worksheet to ensure it is complete and correct.
- (2) Verify the total gross self-employment income recorded on the Worksheet is correct and consistent with supporting documentation provided by the Applicant.
- (3) Will request additional documentation from the Applicant as necessary to resolve any inconsistencies prior to certifying the Application.
- (4) If the Household is using the three (3) month income verification period, divide the net self-employment/rental income for the 365 days preceding the Date of Application by four (4) to prorate to three (3) months.
- (5) Record the gross self-employment income onto the Income Worksheet and enter the gross self-employment income into HEAP Cloud to document the Applicant's self-employment income.