



Date: \_\_\_\_\_

Case Manager: \_\_\_\_\_

Case Name: \_\_\_\_\_

Case Number: \_\_\_\_\_

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

INFORMATION & EXPENSE DEDUCTION CHOICE FOR SELF EMPLOYMENT

Dear \_\_\_\_\_

You have reported you are self-employed.

Please provide the following information, by \_\_\_\_\_

- Business name: \_\_\_\_\_
• Beginning date of current self-employment \_\_\_\_\_
• Business records for the past 3 months, showing business income and itemized expenses for each month.
• List of business equipment, inventory and materials, including current value.
• List of all business bank accounts held and current bank statements to verify balances.
• Copies of the most recent complete Federal and State tax returns.

In the CalWORKS, CalFresh and some Medi-Cal Programs:

You have a choice as to how your self-employment expenses are figured. We will either use 40% of your gross income (whether you have actual expenses or not) or your actual allowable expenses. If you choose the 40% of gross income method, you do not need to verify your expenses. If you choose the actual expenses method, you must verify your expenses. You may switch methods once every 6 months, or at your reinvestigation (whichever is sooner).

When the CalWORKS/CalFresh Semi-Annual Report Form, SAR 7, is received, please do the following:

- Complete it as required - answer all questions, sign and date it. Remember to list all of your gross income and childcare costs.
• Complete, sign and date a DSS GEN 254, Self-Employment Worksheet, and attach it to the SAR 7.
 - DSS GEN 254 is not an affidavit.
 - Use this form to keep track of all income and expenses for each month
 - A 12-month supply is enclosed
 - Copy all income verification, such as paychecks or receipts. List in the income column.
 - If required to verify expenses: save all receipts for expenses & list in the expenses column.
• CalWORKS/CalFresh only: Attach all income/expense verification to the SAR 7.
• Mail all of the above to your Employment Resource Specialist/Case Manager by the 5th of the month.

If you have any questions, please feel free to contact me at the above address and telephone number.

Self-Employment Expenses Deduction Choice

COMPLETE INFORMATION BELOW & RETURN TO YOUR EMPLOYMENT RESOURCE SPECIALIST (ERS)

Case Name: \_\_\_\_\_ ERS: \_\_\_\_\_

Business Name: \_\_\_\_\_

Beginning date of current self-employment: \_\_\_\_\_

If the program I am eligible for allows a choice, I would choose:

Self-Employment expense choice: [ ] Actual expenses [ ] 40% of gross self-employment income

Remember to sign and date below and attach the required verifications - see instructions above

Participant Signature

Date