

INSTRUCTIONS FOR COMPLETING THE SELF-EMPLOYMENT LEDGER

GROSS INCOME

List gross income amounts received by month in the appropriate fields. When the work was completed is not important, only when the income was received needs to be known.

EXPENSES (COSTS OF SELF-EMPLOYMENT)

List in the appropriate fields, allowable business expense* amounts for the months the expenses were incurred.

Allowable Business expenses may be subtracted from your self-employment income. This includes payments on the principal purchases of income-producing real estate and capital assets, equipment, machinery and other durable goods. Mileage at the current federal rate or actual expenses will be allowed for work-related travel. The mileage rate includes other vehicle expenses such as gas, oil, etc.

When a business is located in the home, the following options are available for housing deductions, such as mortgage, house insurance or home real estate taxes. You may claim -

- A percentage of the actual housing expense as a 'Cost of Doing Business' for self-employment and the remaining percentage of the actual housing costs as a deduction in the SNAP budget.

OR

- The total actual housing costs as a deduction in the SNAP budget.

Utilities are not an allowable self-employment cost for businesses located in the home.

Long distance telephone charges that are business-related may be deducted.

Day care providers can select one of the following methods for determining the cost of meals:

1. Actual documented cost of meals,
2. A standard per day amount based on estimated per meal costs; or
3. Current reimbursement amounts used in USDA Child and Adult Care Food Program.

The following expenses are not allowed and should not be listed on the ledger:

- Depletion;
- Depreciation;
- Federal, state and local taxes;
- Mileage expenses from the home to the first work site and from the last work site back home;
- Money set aside for retirement purposes and other work-related personal expenses;
- Monthly telephone charges unless there is a separate business phone;
- Utilities costs when the business is located in the home.

*Each program has specific regulations defining what an allowable business is, it is possible some expenses that are allowable for one program, may not be allowable for a different program.