

INSTRUCTIONS (AGENCY USE ONLY)

DHS 1109

REPORT OF SELF-EMPLOYMENT EARNINGS

PURPOSE:

The DHS 1109, "Report of Self-Employment Earnings" form shall be completed by the self-employed applicant/beneficiary in order to provide uniform, consistent reporting of self-employment earnings.

GENERAL INSTRUCTIONS:

1. The form is to be given to and completed by each self-employed person.
2. Information provided by the applicant/beneficiary must be verified and documented in the space provided under "For Agency Use Only".
3. A new form is to be completed by the client for each new application, eligibility review, or when reporting monthly quarterly gross earnings.

SPECIFIC INSTRUCTIONS:

For Applicant/Beneficiary:

The self-employed applicant/beneficiary shall complete Section II, Section III and Section IV.

1. Section III. Check "Yes" or "No". For number 7, enter your G.E. License number and provide a copy.
2. Section IV. Write in \$ amounts and list business expenses for specified month/year and as applicable. Please attach supporting documentation for income and business expense listed in Section IV.
3. Form shall be signed and dated by the self-employed applicant/beneficiary.
4. Upon completion of the form the applicant/beneficiary shall return the original to the assigned EW.

For Self-employed Applicant/Beneficiary information:

- a. **Gross self-employment income** is the total amount of income received for the month before any business expenses are deducted.
- b. **General Excise Tax (GET)** is the tax the self-employed person must pay on his gross earnings to the Hawaii State Tax Collector. The percentage of tax owed is dependent upon the nature of self-employment.
- c. **General Excise License Fee** is the registration fee for a GET license.
- d. **Business Expenses**-are all non-personal expenses related directly to the business such as rent, utilities, repairs to equipment, insurance, etc.

For Med-QUEST Division Eligibility Staff:

1. Section I to be completed by the Eligibility Worker (EW) prior to being distributed to applicant/beneficiary.
2. For Agency Use Only: For an individual to be considered self-employed, all items must be answered "yes" EW shall verify and document all declared information; i.e., tax returns, Federal I.D. No., General Excise License No., etc.
3. For Agency Use Only: EW shall verify and document all declared information. Each expense must be verified through receipts, cancelled checks, invoices, etc., before being allowed as a business expense.

FILING/DISTRIBUTION INSTRUCTIONS:

1. EW shall document self-employment information to the individual appropriate KOLEA case.
2. EW shall scan DHS 1109 form and supporting documentation to the appropriate KOLEA case file.