

Verification of Self-Employment Income

CCA Worker Guide #1

Independent contractor status must be verified. Acceptable verification includes:

- A signed contract specifying this.
- A 1099 (Miscellaneous Income) form issued by the business.
- A narrated conversation with the employer.

Income, including money from self-employment, must be verified for all programs. Acceptable proof of self-employment income includes:

- Income tax return - state and federal, including Schedules C and F (for OHP, income tax returns can be used to check the accuracy of past income calculations, but not to determine the monthly average income)
- Check stubs or copies of contracts specifying payment schedule
- Self-employment bookkeeping records
- Copies of personal checking and savings account bank statements
- Copies of business account bank statements
- Proof of salary, stipend, allowance, donations, or gifts received
- Copy of any contract or work agreement
- Statement from organization or business explaining access rights to an organization's or business' bank accounts

For FS, self-employed clients can be certified once without income verification. At the time of certification, explain to the client - in writing - that they must begin keeping income records. Include a list of acceptable proof. If they reapply without income verification, they will be denied. Narrate the conversation and notice given.

Clients with marginal employment - such as homeless people - sometimes report very limited earnings from collecting and redeeming cans, selling plasma, etc. In many cases, requiring them to provide written verification of self-employment earnings would be an unreasonable barrier to eligibility. To get an acceptable estimate of their income, ask the client about their typical monthly earnings. Narrate their response.

859B form may be used to help collect information about costs related to producing self-employment income. The form ***cannot*** be accepted as verification of either income or costs for self-employed clients.