

Instructions also apply to Farming, Ranching, and Fishing Income Worksheet

This is an example of a worksheet that is properly completed. **Use this as an example of how to report your income if you have not filed a federal tax return for last year.** This form is the same for those who are self-employed and those who are involved in farming, ranching, and fishing. Even though the Farming, Ranching, and Fishing Income Worksheet looks different, the only difference for applicants is that these occupations must list gross income received and business expenses for **12 months** instead of six.

If your business is a corporation or partnership, see the example on the back side of this form for the Corporation/Partnership Income Worksheet. If your business is a LLC, call FHIAP at 888-564-9669. Be sure to ask for a self-employment specialist. We will tell you what parts of the worksheet to fill out.

Instructions:

1 Business Ledgers:

Include your monthly business ledgers or detailed profit and loss transaction statements.

Also, send a copy of your federal tax return extension.

Do not use this form if you submitted your most recent (current) federal tax return. Use this form **ONLY** if you have filed an extension on your federal tax return or your income has changed **drastically in the last year**. Your income must be reported on an IRS Schedule C. Please complete and send the following:

- Send monthly business ledgers or detailed profit and loss transaction statements for the six months before the month you sign the application. 1
- Send a copy of your federal tax return extension.
- Fill out Sections A, B, and C. Sign and date this form.
- If your business is a **corporation or partnership** (you complete IRS Schedule E) **fill out the Corporation/Partnership Income Worksheet included in the Other Forms Packet.**
- If your business is a **LLC**, call FHIAP at 888-564-9669. Be sure to ask for a self-employment specialist. We will tell you what parts of the worksheet to fill out.
- If your income is from **fishing** (you complete IRS Schedule C) **fill out the Farming, Ranching, and Fishing Income Worksheet included in the Other Forms Packet.**

A – Business Information

Name John Johnson	Business name ABC Construction
Business address 123 Main St., Salem, OR 97301	Type of business Construction

B – Gross Receipts Received

Please list all business income/gross receipts received in the six months **before** the month you sign your application for FHIAP. List gross receipts before any expenses are subtracted.

Name month you sign application	Name months					
	<u>March</u>	Sep.	Oct.	Nov.	Dec.	Jan.
Income Source (please list): Const. Jobs	3,100	21,900	4,000	3,000	4,100	20,150
Income Source (please list):	0	0	0	0	0	0
Total Income/Gross Receipts:	3,100	21,900	4,000	3,000	4,100	20,150

C – Business Expenses

You may choose one of two ways to figure your income. You can either have FHIAP reduce your gross business receipts by 50 percent, or reduce your gross business receipts using actual allowable expenses. Use the method that will help you the most. We will not go back and re-figure your eligibility using the other method. If you are not sure which way to figure your income, call 888-564-9669 and ask for a self-employment eligibility specialist.

To have FHIAP take a 50% deduction for your expenses from your total gross receipts, check this box: 2

If you checked the box above, all you need to do is sign on the next page!

If you want FHIAP to deduct your actual allowable expenses, do not check the box. Turn the page and complete Section C.

3 Business Property — Rent Paid:
You may not count rent as an expense if the property is used as both a residence and business.

4 Business Property — Utilities:
List only one-third of utilities if you work out of your home. List 100 percent of utilities if the business is separate. Cell phones used exclusively for business may be counted here.

5 Mileage/transportation costs:
You may list work-related mileage or actual expenses for fuel and maintenance on business vehicles. If using mileage, calculate at a rate of 20 cents per mile. FHIAP does not allow commuting as an expense. If submitting transportation costs, include proof of actual expenses with your application.

6 Bad debt: Example includes NSF checks that are written off.

7 Other: Examples include business-related bank and credit card fees such as credit card merchant fees, but not overdraft fees.

8 Corporation/Partnership Income Worksheet: Example of a corporation/partnership.

9 Signature: *Don't forget to read and sign at the bottom of this page!* If you have a spouse they must sign.

C — Business Expenses, continued

Name month you sign application	Name months						
	March	Sep.	Oct.	Nov.	Dec.	Jan.	Feb.
Expenses							
1) Wholesale cost of inventory purchased	2,135	5,000	0	500	1,250	7,000	
2) *Employee wages/benefits/payroll taxes	0	3,000	500	500	725	3,000	
3) Business property: rent paid (see #11** below) 3	0	0	0	0	0	0	
4) Business property: utilities (see #11** below) 4	33	33	33	33	33	33	
5) Business insurance, taxes, and assessments	62	62	62	62	62	62	
6) Licenses, permits, legal, and professional fees	50	50	50	50	50	250	
7) Operating supplies (office supplies, postage)	135.29	135.29	135.29	135.29	0	0	
8) Equipment rental/service/repair/maintenance	350	350	350	350	700	700	
9) Equipment purchase/machinery/durable goods	250	0	500	0	500	0	
10) Business telephone expense	120	120	120	120	120	120	
11) Advertising	100	0	100	0	0	120	
12) Interest on business loans	24	24	24	24	24	24	
13) Mileage/transportation costs (see Self-Employment Instructions) 5	90	180	80	60	75	100	
14) Bad debt (write offs) 6	0	450	30	0	0	50	
15) Other expenses (use separate sheet) 7	0	0	150	0	0	300	
Total Expenses:	3,349.29	9,404.29	2,134.29	1,834.29	3,539.00	11,759.00	

***Do not include wages, benefits, taxes, etc. for family members**

The following costs are NOT allowable business expenses:

- Meals for the applicant, spouse, or dependents
- Payments on the principal of the purchase price of income-producing real estate
- Federal, state, and local income taxes
- Draws or salaries paid to any family member and related payroll expenses
- Money allocated for personal retirement
- Work-related personal expenses (personal business, entertainment, etc.)
- Depreciation
- Costs related to traveling to another area when there is no reasonable possibility of deriving income from the trip
- Interest or fees on credit cards
- Personal telephone charges
- **The costs of real property used as both a home and a business, unless the real property (including utilities) used for a business is separate from the dwelling. For more information see the Sample Self-Employment Worksheet and Instructions in the Other Forms Packet.



Corporation/Partnership Income Worksheet ⁸



Please submit your most recent federal tax return (including all schedules), both personal **AND** corporation or partnership. Also submit three months of both personal **AND** business bank statements. In addition, complete Section A and B below. If your business pays any of your family's living or personal expenses, those payments are counted as income to your family the same as any funds paid to you as wages or salary. Please call FHIAP and ask to speak to an Eligibility Specialist for additional questions or instructions.

A — Business Information

Name John Johnson	Business name ABC Construction
Business address 123 Main St., Salem, OR 97301	Type of business Construction
Is this a corporation? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	Is this a partnership? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No

B — Personal Expenses Paid By Corporation/Partnership

Please list all personal expenses paid by the corporation or partnership for the **three months prior to the date you signed the application.**

Month (Name months)	Dec.	Jan.	Feb.
Mortgage/Rent	\$1,000	\$1,000	\$1,000
Auto, Health, Life Insurance	\$500	\$500	\$500
Food/Groceries	\$400	\$400	\$400
Entertainment	\$50	\$50	\$25
Personal Credit Card Payments	\$100	\$100	\$50
Other Payments	\$75	\$125	\$0
Total Expenses:	\$2,125	\$2,175	\$1,975

Do you receive wages/draws or income in addition to the above expenses paid by the business. Yes No
If yes, list below. If you receive only wages/income (business does not pay personal expense) enter the amount below.

Wages/Draws/Income	\$500	\$250	\$0
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Warning:
FHIAP deductions are not the same as IRS deductions.

Sign here → Applicant's signature: John Johnson ⁹ Date: 3/11/2011
Spouse's signature: N/A Date: _____