

**WAC 388-450-0085 Does the department count all of my self-employment income to determine if I am eligible for benefits?** This section applies to cash assistance and basic food programs.

(1) We decide how much of your self-employment income to count by:

(a) Adding together your gross self-employment income and any profit you make from selling your business property or equipment;

(b) Subtracting your business expenses as described in subsection (2) below; and

(c) Dividing the remaining amount of self-employment income by the number of months over which the income will be averaged.

(2) We subtract the greater value of one of the following as a business expense:

(a) Fifty percent of the gross self-employment income total described in subsection (1)(a) in this section even if your costs are less than this; or

(b) The actual verified and allowable costs of producing your self-employment income. If you want us to subtract your actual costs, you must list and give us proof of your expenses within the time limits under WAC 388-406-0030 for us to count them.

(c) We never allow the following expenses when calculating (2)(b):

(i) Federal, state, and local income taxes;

(ii) Money set aside for retirement purposes;

(iii) Personal work-related expenses (such as travel to and from work);

(iv) Net losses from previous periods;

(v) Depreciation; or

(vi) Any amount that is more than the payment you get from a boarder for lodging and meals.

(3) If you have worked at your business for less than a year, we figure your gross self-employment income by averaging:

(a) The income over the period of time the business has been in operation; and

(b) The monthly amount we estimate you will get for the coming year.

(4) For cash assistance, if your self-employment expenses are more than your self-employment income, we do not use this "loss" to reduce income from other self-employment businesses or other sources of income to your assistance unit.

(5) For basic food, we use a "loss" from self-employment farming or fishing income to reduce other sources of income **only** if you meet the following three conditions:

(a) Someone in your assistance unit is a self-employed farmer or fisher;

(b) Your gross yearly income from farming or fishing is or is expected to be at least one thousand dollars; and

(c) Your allowable costs for farming or fishing are more than your income from farming or fishing.

[Statutory Authority: RCW 74.04.050, 74.04.055, 74.04.057, 74.04.510, 74.08.090, and 7 C.F.R. § 273.11 (b)(3)(iv). WSR 15-09-135, § 388-450-0085, filed 4/22/15, effective 8/1/15. Statutory Authority: RCW 74.04.050, 74.04.055, 74.04.500, 74.04.510, 74.08.090, 74.08A.120, and 2011 1st sp.s. c 15. WSR 13-18-007, § 388-450-0085, filed 8/22/13, effective 10/1/13. Statutory Authority: RCW 74.04.050, 74.04.057, 74.09.470, and 74.08.090. WSR 08-15-010, § 388-450-0085, filed 7/3/08,

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