



# Child Care Subsidy Application Checklist

Family with Self-Employment Parent(s)



For Parents/Guardians - I/We:

- have an activity for both parents/guardians (Employment/Employment starting within 2 weeks, Self-Employment, School, or Job training)
- meet the self-employment definition and gross income threshold for self-employment
- meet the income limit for our family size
- do not have assets totaling \$1 million dollars
- have verifications available to upload with my online application or mail with my application

My/Our Child(ren):

- is a U.S. Citizen or is a lawful permanent resident
- lives with us
- is under 13 or is 13 through 18 who is unable to care for self
- is in child care or will be starting child care within the next 30 days

In order for the Department to process your application to determine your family's eligibility, ALL applicable supporting documents must be submitted with your online application.\*

\*Foster children or families experiencing homelessness, who do not have supporting documents available at application, may be allowed up to 2 months to provide required documents to the department.

For Parents/Guardians:

- Copy of ID (Driver's License or other government issued ID)
- Income (One month of all applicable income - paystubs, award letter, etc.)
- Employment (Paystubs or employment letter), School Registration or Job Training Verification
- Guardianship documents (if applicable)
- Social Security Cards (optional)

For Children:

- Birth certificate (government issued preferred)
- Citizenship/lawful permanent resident (if not born in the U.S.)
- Court decree or custodial documents (if applicable)
- Social Security Cards (optional)

For samples and more information on verifications, visit the Department's Child Care Program website at: [www.humanservices.hawaii.gov/bessd/child-care-program/](http://www.humanservices.hawaii.gov/bessd/child-care-program/) or [www.childcaresubsidy.dhs.hawaii.gov](http://www.childcaresubsidy.dhs.hawaii.gov)



# Child Care Subsidy Application Checklist

## Self-Employed Activity and Income



### Self-Employment Threshold

You will need to meet a minimum monthly gross income to use your self-employment as your activity, as long as you meet the definition of self-employment.

Failure to meet this threshold will result in ineligibility.

### Minimum eligible monthly self-employment income

20 hours per week x 4.3333 weeks x the state minimum wage = Minimum Net Income  
(at the time of eligibility)

Example for 2023 = 20 hours x 4.3333 weeks x \$12.00 = \$1039.99

State minimum wage is \$12.00 as of 10/2022.

For updated State wage information: <https://labor.hawaii.gov/wsd/minimum-wage/>

You will also need to meet the definition as a self-employed individual.

- Cannot be terminated from your job by another person
- Reports income to the IRS and State as self-employed
- Meets social security requirements as a self-employed person and pays employer's and employee's share of social security taxes
- Is not considered an employee of an agency or organization

If both applicant and co-applicant are self-employed, then both need to meet this definition and each need to meet the minimum gross income requirement.

Self-Employment business structures and verifications:


- Sole Proprietorship (Independent Contractors)
- Partnership (need to provide Partnership agreement, applicable tax return and tax schedules)
- Limited Liability Company (Single member or Partnership - need to provide Articles of Organization, applicable tax return and tax schedules)

Self-Employed Income verifications to determine net income for income eligibility:

- DHS 1273C Report of Self-Employment Income
- General Excise Tax License
- General Excise Tax - Form 45
- Income verifications: Bank statements, cash receipts, paid invoices, etc.
- Expense verifications: Bank statements, cancelled checks, paid invoices, receipts, etc.



# Verifications

**DAVID Y. IGE**  
GOVERNOR  
**JOSH GREEN M.D.**  
LT. GOVERNOR  
  
**ISAAC W. CHOY**  
DIRECTOR OF TAXATION  
**DEPUTY DIRECTOR**  
 STATE OF HAWAII  
**DEPARTMENT OF TAXATION**

Date: \_\_\_\_\_  
 Letter ID: \_\_\_\_\_  
 Hawaii Tax ID: \_\_\_\_\_

Re: License Letter


Dear Taxpayer:

This letter contains your General Excise Tax License for Hawaii Tax ID Number \_\_\_\_\_. Please display this license conspicuously at the place of business.

If you require further information, please contact us at the address and phone number listed below. Reference the letter ID found at the top of the page in your correspondence or phone calls to expedite the process.

Sincerely,

Department of Taxation  
 Taxpayer Services Branch  
 PO Box 259  
 Honolulu, HI 96809-0259  
 Phone: (808) 587-4242  
 Neighbor Islands: \_\_\_\_\_ U.S.  
 Toll Free: 1 (800) 222-3222

  
 BUSINESS START DATE: 01/01/21  
 STATE OF HAWAII  
 DEPARTMENT OF TAXATION  
 LICENSE ISSUED FOR THE PRIVILEGE OF ENGAGING IN BUSINESS AND OTHER ACTIVITIES UPON THE CONDITION THAT THE LICENSEE SHALL PAY THE TAXES ACCRUING TO THE STATE OF HAWAII UNDER THE PROVISIONS OF CHAPTER 215, HRS, AS AMENDED. LICENSEE'S ACTIVITIES ARE LISTED ON THE APPLICATION ON FILE WITH THE DIRECTOR OF TAXATION.  
**GENERAL EXCISE TAX LICENSE**  
 THIS LICENSE IS NOT TRANSFERABLE. IT TO BE DISPLAYED CONSPICUOUSLY AT THE PLACE OF BUSINESS FOR WHICH ISSUED.  
 HAWAII TAX ID NUMBER: GE-1  
 Missy Aloha  
 dba The Flower Shop  
 For Informational Purposes ONLY

Confirmation #: \_\_\_\_\_ STATE OF HAWAII - DEPARTMENT OF TAXATION Status: Submitted

**G-45 Tax Return**

Name: Missy Aloha Tax ID: GE-01  
 Filing Period: \_\_\_\_\_ Return Type: G-45  
 Web Name: \_\_\_\_\_ Amended/Submitted: \_\_\_\_\_

**Part I - General Excise And Use Taxes @ 1% (.005)**

Business Activities	Column A	Column B	Column C
	Values, Gross Proceeds, Or Gross Income	Exemptions/Deductions (Attached Schedule G)	Taxable Income (Column A Minus Column B)
Wholesaling	0.00	0.00	0.00
Manufacturing	0.00	0.00	0.00
Producing	0.00	0.00	0.00
Wholesale Services	0.00	0.00	0.00
Landed Value of Imports (Resale Business)	0.00	0.00	0.00
Activities of Disabled persons (Part I, Column C (Taxable Income))	0.00	0.00	0.00

**Part II - General Excise And Use Taxes @ 1% (.005)**

Retailing	0.00	0.00	0.00
Services Including Professional	0.00	0.00	0.00
Contracting	0.00	0.00	0.00
Theater, Amusement and Broadcast	0.00	0.00	0.00
Commissions	0.00	0.00	0.00
Transient Accommodations	0.00	0.00	0.00
Other Rentals	0.00	0.00	0.00
Interest and All Other	0.00	0.00	0.00
Landed Value of Imports (For Consumption)	0.00	0.00	0.00
Sum of Part II, Column C (Taxable Income)			0.00

**Part III - Insurance Commissions @ 15%**

Insurance Commissions	0.00	0.00	0.00
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**Part IV - County Surcharge Tax**

Oahu Surcharge (rate = .0050)	0.00	0.00	45.00
Maua Surcharge	0.00	0.00	0.00
Hawaii Surcharge (rate = .0050)	0.00	0.00	0.00
Kauai Surcharge (rate = .0050)	0.00	0.00	0.00
Total	0.00	0.00	0.00

**Part V - Schedule Of Assignment Of Taxes By District**

[X] Oahu [ ] Maui [ ] Hawaii [ ] Kauai [ ] Multi

**Part VI - Total Periodic Return**

Column (a)	Column (b)	Rate	Column (c)	Tax Column (1)	
Part I Total Tax	0.00	X	.005	=	0.00
Part II Total Tax	.00	X	.04	=	0.00
Part III Total Tax	0.00	X	.0015	=	0.00
Part IV Total Tax				=	0.00
<b>Total Taxes Due</b>					0.00

Amounts Assessed During the Period: Penalty 0.00, Interest 2.03

**Total Amount**  
 Total Payments Made for the Period: 0.00  
**Credit to Be Refunded**  
 Additional Taxes Due: 0.00  
**For Late Filing Only**: Penalty 0.00, Interest 0.00

**Total Amount Due and Payable**: 0.00  
**Grand Total of Exemptions/Deductions Claimed**: 0.00

For Informational Purposes ONLY

General Excise  
 Tax License  
 State  
 Department of  
 Taxation G-45  
 Tax Return

**BANK CHECK**

Supplier: \_\_\_\_\_ \$500.00

Five hundred dollars & no/00

Supplies - COGS



Business  
 Expenses  
 Cancelled checks  
 Bank statements  
 showing expenses  
 paid by check or  
 electronic  
 transfers,  
 cash receipts,  
 sales receipts

Hawaii's Favorite Bank

The Flower Shop  
 123 Anywhere Street  
 Honolulu, HI 96813

Your Business Checking #0012345  
 Dates: August 1 - August 31, 2025

**Account Summary**

Beginning Balance on:	\$ 150.00
Deposits:	\$4000.00
Withdrawals and other credits:	\$3600.00
Service Fees:	\$ 125.00
Ending Balance:	\$ 425.00

Checks and other credits:

8/1 Check 1001	\$500.00
8/5 Electronic: Floral Supply Distributor	\$500.00
8/12 Check 1002	\$200.00
8/15 Withdrawal	\$100.00
8/00 Hawaiian Telecom	\$25
8/20 AT&T	\$25
8/30 Check 1003	\$1100
8/31 Hawaiian Electric	\$250

Deposits and other debits:

Cash deposit:	\$2400
8/5 Check	\$100
8/15 Credit Card	\$100
8/20 Debit Card	\$250
8/7 Check	\$250
8/16 Check	\$250
8/21 Check	\$25
8/8 Debit Card	\$25
8/19 Check	\$300
8/30 Check	\$300

For Informational Purposes ONLY

**SALES RECEIPT**

Client: Daphne Suga  
 Date Issued: \_\_\_\_\_  
 Invoice No: 12345  
 Invoice Date: \_\_\_\_\_

The Flower Shop  
 123 Anywhere St  
 Honolulu  
 96813

Description	Rate	Qty	Subtotal
Dozen Roses	\$25	1	\$25.00
Foliage - Bunch	\$5	1	\$5.00
Vase	\$5	1	\$5.00
Card	\$2.50	1	2.50
<b>Total Amount</b>			\$37.50
<b>Tax</b>			\$ 1.20
<b>Amount Due</b>			\$38.70

PAID IN FULL

Thank You

For Informational Purposes ONLY

**Cash RECEIPT**

Business Income  
 Bank/Merchant statements showing  
 income paid by check or credit/debit  
 cards,  
 cash receipts, sales receipts

## Cash Based Accounting - Income is counted when received and expenses are counted when it's paid or cleared by your bank.

If business income is steady, submit at least 1 month's worth of income and expenses.

If business income is irregular, you may submit up to 6 months of income and expenses that will be averaged for your monthly income used for eligibility.

### Sample of Monthly Income and Expenses

You apply for Child Care Subsidy on June 5, please submit income received and expenses paid in the month of May.

Detailed & itemized receipts are required.

State Of Hawaii DEPARTMENT OF HUMAN SERVICES  
Benefit, Employment And Support Services Division

### Income received in MAY

(\*) IV. GROSS SELF-EMPLOYMENT INCOME ..... \$ **1900**

**FOR AGENCY USE ONLY (HOW VERIFIED)**

BUSINESS EXPENSES:  
NOTE: DO NOT LIST PERSONAL EXPENSES AND TAXES (I.E., SELF-EMPLOYMENT, SOCIAL SECURITY, FEDERAL, STATE) THAT YOU PAY. HOWEVER, IF YOU HAVE EMPLOYEES, LIST THE SALARY, TYPES AND AMOUNTS OF TAXES THAT YOU PAY ON THEIR BEHALF IN THIS SECTION. (YOU CANNOT BE AN EMPLOYEE OF YOUR OWN BUSINESS).

(\*) GENERAL EXCISE LICENSE FEE ..... \$ \_\_\_\_\_

(\*) GENERAL EXCISE TAX: (4.5% of gross income) ..... \$ **54**

(\*) OTHER (LIST BUSINESS EXPENSES):

Flower Leis	\$ 500
Shipping Supplies	\$ 10
Postage	\$ 7.99
Rent/Storage	\$ 300

Expenses Verified By: \_\_\_\_\_

LESS TOTAL EXPENSES ..... \$ **871.99**

NET EARNED INCOME ..... \$ **1028.01**

Hawaii's Favorite Bank

The Flower Shop  
123 Anywhere St  
Honolulu, HI 96813

Your Business Checking #0012345  
Dates: May 1 - May 30, 2023

Account Summary

Beginning Balance on:	\$ 150.00
Deposits:	\$1900.00
Withdrawals and other credits:	\$951.00
Service Fees:	\$ 0.00
Ending Balance:	\$ 1099

Checks and other credits:

5/15 Check 1001	\$500.00
5/16 Electronic: USPS	\$7.99
5/18 Electronic: Walmart	\$10.00
5/21 Withdrawal	\$50
5/29 Check 1002	\$300.00
5/30 Walgreens	\$29.01

Deposits and other debits:

Cash deposit:	\$1500
5/5 Check	\$400

All transactions are for the month of May

For Informational Purposes

Cash RECEIPT  
5/16/2023

USPS - Honolulu

Postage - First Class  
Package \$7.99

Paid - Debit  
XXXXX.XXXXX.XXXXX.XXX

Cash RECEIPT  
5/18/2023

Walmart

Shipping Box \$9.59  
Tax \$0.41

Total \$10.00

Paid - Debit  
XXXXX.XXXXX.XXXXX.XXX

**BANK CHECK**

Date: 4/30/2023 Check #1001

Hawaii Lei Company \$500.00

Five hundred dollars & no/00

100 orchid leis

**BANK CHECK**

Date: 5/29/2023 Check #1002

Floral Storage Center \$300.00

Five hundred dollars & no/00

Rent Floral Cooler #101

**SALES RECEIPT**

Client: Happy Keiki Preschool  
Date issued: 5/1/2023  
Invoice No: 12345  
Invoice Date: 5/1/2023

The Flower Shop  
123 Anywhere St  
Honolulu 96813

Description	Rate	Qty	Subtotal
Orchid Leis	10	100	\$1000.00
Ribbons	25	2	\$50.00
Set up decorations for graduation (2 staff)	450	1	\$450.00
Total Amount			\$1500.00
Amount Due			\$1500.00

Cash payment 5/1/2023

**PAID IN FULL**

For Informational Purposes ONLY

Income is counted when it is received.

If you invoice clients but offer payment terms, income is counted when received and is not counted when you bill.

Example - You invoice a client in January and they finally pay for that invoice in May, the income will count for the month it was received, so for May.

Note - when paying by check, it will only be counted for the month when it has cleared by the bank. It is not based on the check date.

Check #1001 was written on 4/30 but cleared by the bank on 5/15 so it's counted as an expense in May.