




Inning #5

Effectively Handling Free Agents (Enrolling Self-Employed Individuals in the Marketplace)

The Webinar will begin at 10:00am
Participant Dial In Number: 1-855-897-5763

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Today's Webinar

- Dial in to the audio portion of the webinar using the telephone number on the Audio tab. Audio is transmitted through the telephone only, not through computer speakers.
- All participants will remain muted for the duration of the program.
- Questions can be submitted using the Q&A tab on your Webex control panel; we will pause periodically to take questions.
- A recording of the webinar and any related materials will be available online and emailed to all registrants.

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Presenters

- Welcome
 - **Donna Frescatore** - Executive Director, NY State of Health
- Today's Presenters
 - **Deborah Maurer** –Senior Trainer, Cicatelli Associates (CAI)
 - **Gabrielle Armenia** – Bureau Director of Child Health Plus Policy & Exchange Consumer Assistance
 - **K. Pamela Lavillotti** – Project Manager
 - **Kathleen Johnson** - Assistant Director, Bureau of Community Enrollment & WMS Eligibility Processing
 - **Peggy Noonan** - Bureau of Community Enrollment & WMS Eligibility Processing



Agenda

- Introductions
- Recap of Inning #4
- Effectively Handling Free Agents (enrolling self-employed individuals into the marketplace)
- Questions & Answers
- Conclusion



Inning #4: How to Coach Different Types of Teams Evaluation Survey Results

Here's what you said:

- More than 96% said it "increased my knowledge of the topic(s)."
- Nearly 96% said "there was sufficient information shared that will enable me to successfully enroll consumers with various household scenarios into coverage."

"The trainings have been fantastic and right on point!"

"Amazing work. This webinar was very helpful. Thank you very much."

"There was a lot of information to cover and I thought it was presented a little fast."

"Use more difficult, realistic household scenarios."

Complete the evaluation survey of today's webinar immediately following the program.



Enrolling Self-Employed Individuals in the Marketplace



Objectives

- Understand Who is Considered Self-Employed
- Identify Types of Self-Employment
- Locate an Individual's Source of Self-Employment Income on a Tax Return
- Describe the Reporting Options for Self-Employment Income in the Marketplace
- Understand the Documentation Requirements for the Self-Employed

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Who are the Self-Employed?

According to the IRS, a person is considered self-employed if any of the following apply:

- Carry on a trade or business as a sole proprietor or an independent contractor
- A member of a partnership or S corporation that carries on a trade or business
- Otherwise in business for themselves (including a part-time business)

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What are the Sources of Self-Employment Income?

- Sole Proprietorship*
 - Business
 - Farm
- Partnership
- S Corporation
- Rental Real Estate

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Sole Proprietors

- Owned and operated by one person
- Does not have at least one eligible employee
 - An eligible employee is any employee who works an average of 20 hours a week each month. A sole proprietor's husband or wife is not considered an eligible employee.
- Prior to 2014, sole proprietors could purchase insurance in the Individual Market, or they could purchase coverage in the Small Group Market at a rate of 15% above the Small Group Rate

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Sole Proprietors

- In accordance with federal regulations, beginning in 2014, sole proprietors may purchase coverage for themselves and their families in the Individual Market and can no longer purchase coverage in the Small Group Market.
- Eligible sole proprietors can receive financial assistance (including APTC and CSR) to reduce the cost of coverage
 - More than half of the 1million sole proprietors in NY have incomes under 400% FPL and may be eligible for Financial Assistance



Example

Marcy owns a local auto repair shop and has an employee who works 10 hours per week. Her husband, Sam, also works at the repair shop 40 hours per week.

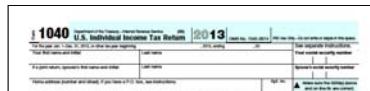
Q: Is Marcy a sole proprietor? Can she enroll in coverage through in the Individual Marketplace or the SHOP?

A: Marcy is a sole proprietor. She does not have at least one eligible employee. She can enroll in coverage in the Individual Marketplace, and cannot purchase coverage in the SHOP. Her spouse and employee can also enroll through the Individual Marketplace.





How is Self-Employment Income Reported?

- Income is reported on an individual's tax return Form 1040
 - All business expenses allowed by the IRS are allowed for MAGI eligibility determinations
 - Additional IRS deductions are also allowed



Income	7	8a	8b	9a	9b	10	11	12	13	14	15a	15b	16a	16b	17	18	19	20a	20b	21	22	
Wages, salaries, tips, etc. Attach Form(s) W-2																						
Taxable interest. Attach Schedule B if required																						
Ordinary dividends. Attach Schedule B if required																						
Qualifying dividends																						
Taxable refunds, credits, or offsets of state and local income taxes																						
Alimony received																						
Business income or loss. Attach Schedule C or C-EZ																						
Capital gain or loss. Attach Schedule D if required. If not required, check here <input type="checkbox"/>																						
Other gains or losses. Attach Form 4797																						
IRA distributions																						
Pensions and annuities																						
Rental real estate, royalties, partnerships, S corporations, trusts, etc. Attach Schedule E																						
Earned income. Attach Schedule 1																						
Unemployment compensation																						
Social security benefits																						
Other income. List type and amount																						
Combine amounts in the far right column for lines 7 through 21. This is your total income																						
Adjusted Gross Income																						
Education expense																						
Certain business expenses of reservists, performing artists, and fee-based government officials. Attach Form 8885																						
Health savings account deduction. Attach Form 8889																						
Moving expense. Attach Form 3903																						
Deductible part of self-employment tax. Attach Schedule 1C																						
Self-employed SEP, SIMPLE, and qualified plans																						
Self-employed health insurance deduction																						
Penalty on early withdrawal of savings																						
Alimony paid. Attach Form 1041																						
IRA deduction																						
Charitable contributions deduction																						
Tuition and fees. Attach Form 8917																						
Domestic production activities deduction. Attach Form 8805																						
Add lines 22 through 35																						
Subtract line 36 from line 23. This is your adjusted gross income																						






How is Income from a Sole Proprietorship Reported?

- Income is reported on their individual tax return
 - Form 1040, line 12 – small business income
 - Will include Schedule C or C-EZ
 - Form 1040, line 18 – farm business income
 - Will include Schedule F

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<input type="checkbox"/> Married filing separately. Enter spouse's SSN above _____ child's name here _____			
and full name here _____ <input type="checkbox"/> Qualifying widow(er) with dependent child			
Exemptions If more than four dependents, see instructions and check box <input type="checkbox"/>	6a <input type="checkbox"/> Yourself. If someone can claim you as a dependent, do not check box 6a b <input type="checkbox"/> Spouse	Rows checked on 6a and 6b No. of children on 6c who: • lived with you • did not live with you due to divorce or separation (see instructions) Dependents on 6c not entered above Add numbers on lines above	
	c Dependents:		
	(1) First name Last name (2) Dependent's social security number (3) Dependent's relationship to you (4) <input type="checkbox"/> if child under age 17 qualifying for child tax credit (see instructions)		}
	d Total number of exemptions claimed		
Income			
7 Wages, salaries, tips, etc. Attach Form(s) W-2		7	
8a Taxable interest. Attach Schedule B if required		8a	
12 Business income or (loss). Attach Schedule C or C-EZ		12	
11 Alimony received		11	
12 Business income or (loss). Attach Schedule C or C-EZ		12	
18 Farm income or (loss). Attach Schedule F		18	
17 Rental real estate, royalties, partnerships, S corporations, trusts, etc. Attach Schedule E		17	
18 Farm income or (loss). Attach Schedule F		18	
19 Unemployment compensation		19	
20a Social security benefits 20a _____ b Taxable amount		20b	
21 Other income. List type and amount		21	
22 Combine the amounts in the far right column for lines 7 through 21. This is your total income		22	
Adjusted Gross Income			
23 Educator expenses		23	
24 Certain business expenses of reservists, performing artists, and fee-basis government officials. Attach Form 2106 or 2106-EZ		24	
25 Health savings account deduction. Attach Form 8889		25	






How is Income from a Partnership Reported?

- Income is distributed to the partners based on their percent of ownership
- Individuals report their share of the income on their individual tax return
 - Form 1040, line 17 – partnership income
 - Will include Schedules E and K-1

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<input type="checkbox"/> Married filing separately. Enter spouse's SSN above _____ child's name here _____																						
and full name here _____ <input type="checkbox"/> Qualifying widow(er) with dependent child																						
Exemptions If more than four dependents are claimed, see instructions and check box <input type="checkbox"/>	6a <input type="checkbox"/> Yourself. If someone can claim you as a dependent, do not check box 6a b <input type="checkbox"/> Spouse	Rows checked on 6a and 6b No. of children on 6c who: • lived with you • did not live with you due to divorce or separation (see instructions) Dependents on 6c not entered above Add numbers on lines above																				
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9a Ordinary dividends. Attach Schedule E if required	9a	9a																				
b Qualified dividends	9b	9b																				
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14 Other gains or (losses). Attach Form 4797	14	14																				
15a IRA distributions	15a	15b Taxable amount																				
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18 Farm income or (loss). Attach Schedule F	18	18																				
19 Unemployment compensation	19	19																				
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22 Combine the amounts in the far right column for lines 7 through 21. This is your total income	22	22																				
Adjusted Gross Income	23 Educator expenses	23																				
24 Certain business expenses of reservists, performing artists, and fee-basis government officials. Attach Form 2106 or 2106-EZ	24	24																				
25 Health savings account deduction. Attach Form 8889	25	25																				



How is Income from an S-Corporation Reported?

- Income is distributed to shareholders based on the amount of stock owned
- Income is reported on their individual tax return
 - Form 1040, line 17 – S-corporation income
 - Will include Schedules E and K-1

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	<input type="checkbox"/> Married filing separately. Enter spouse's SSN above																					
and full name here: <input type="text"/> 5 <input type="checkbox"/> Qualifying widow(er) with dependent child																						
Exemptions	6a <input type="checkbox"/> Yourself. If someone can claim you as a dependent, do not check box 6a	Boxes checked on 6a and 6b No. of children or 6c who: • lived with you • did not live with you due to divorce or separation (see instructions) Dependents on 6c not entered above Add numbers on lines above																				
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	b Qualified dividends	9b																				
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	15a IRA distributions	15a																				
	b Taxable amount	15b																				
	16a Pensions and annuities	16a																				
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	18 Farm income or (loss). Attach Schedule F	18																				
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23 Educator expenses	23																					
24 Certain business expenses of reservists, performing artists, and fee-basis government officials. Attach Form 2106 or 2106-EZ	24																					
25 Health savings account deduction. Attach Form 8889	25																					

How is Income from Rental Real Estate Reported?

- Income is reported on an individual's tax return
 - Form 1040, line 12 as Business Income or line 17 as Rental Real Estate depending on type of business
 - Will include a Schedule C or Schedule E

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<input type="checkbox"/> Married filing jointly. Enter spouse's SSN above _____ child's name here _____																											
and full name here _____ <input type="checkbox"/> 5 <input type="checkbox"/> Qualifying widow(er) with dependent child																											
Exemptions If more than four dependents are claimed, see instructions and check box <input type="checkbox"/>	6a <input type="checkbox"/> Yourself. If someone can claim you as a dependent, do not check box 6a b <input type="checkbox"/> Spouse	Boxes checked on 6a and 6b No. of children on 6c who: • lived with you • did not live with you due to divorce or separation (see instructions) Dependents on 6c not entered above Add numbers on lines above <input type="text"/>																									
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b Tax-exempt interest. Do not include on line 8a <input type="text"/> 8b																											
9a Ordinary dividends. Attach Schedule E if required <input type="text"/> 9a																											
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17 Rental real estate, royalties, partnerships, S corporations, trusts, etc. Attach Schedule E <input type="text"/> 17																											
14 Other gains or (losses). Attach Form 4797 <input type="text"/> 14																											
15a IRA distributions <input type="text"/> 15a																											
b Taxable amount <input type="text"/> 15b																											
16a Pensions and annuities <input type="text"/> 16a																											
b Taxable amount <input type="text"/> 16b																											
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Adjusted Gross Income																											
23 Educator expenses <input type="text"/> 23																											
24 Certain business expenses of reservists, performing artists, and fee-basis government officials. Attach Form 2106 or 2106-EZ <input type="text"/> 24																											
25 Health savings account deduction. Attach Form 8889 <input type="text"/> 25																											




To Summarize: Where is Self-Employment Income Reported on the Form 1040?

- Business Income or (loss) - Line 12
- Rental Real Estate - Line 17
- Partnership - Line 17
- S Corporation - Line 17
- Farm - Line 18
- Adjusted Gross Income (AGI) – Line 37

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The image shows a portion of a tax form with several lines highlighted in orange boxes:



- Line 7:** Wages, salaries, tips, etc. Attach Form(s) W-2
- Line 12:** Business income or (loss). Attach Schedule C or C-EZ
- Line 17:** Rental real estate, royalties, partnerships, S corporations, trusts, etc. Attach Schedule E
- Line 18:** Farm income or (loss). Attach Schedule F

Other visible lines include:

- Line 6a: Yourself. If someone can claim you as a dependent, do not check box 6a
- Line 6b: Spouse
- Line 6c: Dependents: (1) First name, (2) Dependent's social security number, (3) Dependent's relationship to you, (4) if child under age 17 qualifying for child tax credit
- Line 7d: Total number of exemptions claimed
- Line 8a: Taxable interest. Attach Schedule B if required
- Line 8b: Tax-exempt interest. Do not include on line 8a
- Line 9a: Ordinary dividends. Attach Schedule E if required
- Line 13: Capital gain or (loss). Attach Schedule D if required, if not required, check box
- Line 22: Combine the amounts in the far right column for lines 7 through 21. This is your total income
- Line 23: Educator expenses
- Line 24: Certain business expenses of reservists, performing artists, and fee-basis government officials. Attach Form 2106 or 2106-EZ
- Line 25: Health savings account deduction. Attach Form 8889

<p>Other Income</p> <p>If you did not get a 1099-Z, see instructions.</p>	12	Business income or (loss). Attach Schedule C or C-EZ	12	
	13	Capital gain or (loss). Attach Schedule D if required. If not required, check here <input type="checkbox"/>	13	
	14	Other gains or (losses). Attach Form 4797	14	
	15a	IRA distributions	15b	Taxable amount
	16a	Pensions and annuities	16b	Taxable amount
	17	Rental real estate, royalties, partnerships, S corporations, trusts, etc. Attach Schedule E	17	
	18	Farm income or (loss). Attach Schedule F	18	
	19	Unemployment compensation	19	
	20a	Social security benefits	20b	Taxable amount
	21	Other income. List type and amount:	21	
	22	Combine the amounts in the far right column for lines 7 through 21. This is your total income	22	
	<p>Adjusted Gross Income</p>	23	Educator expenses	23
24		Certain business expenses of reservists, performing artists, and	24	
27		Deductible part of self-employment tax. Attach Schedule SE	27	
28		Self-employed SEP, SIMPLE, and qualified plans	28	
29		Self-employed health insurance deduction	29	
37	Subtract line 36 from line 22. This is your adjusted gross income	37		

For Disclosure: nystateofhealth.ny.gov

Can Self-Employed Individuals Attest to their Income?

- Yes. Individuals applying through NYSOH can attest to their *projected* annual household income for the upcoming year, this includes self-employment income.

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Household's AGI Expected to Remain the Same

- Initially, all applicants seeking financial assistance will be asked if they expect their income to be the same as what was reported on the previous year's federal tax return
- Applies to all income received by tax filing household
 - Form 1040, line 37 – adjusted gross income

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How Does the Applicant Know if their AGI will Remain the Same?

- Applicants may hesitate with this question
- Changes can't always be predicted
- If the applicant doesn't expect any significant changes then they should assume it will be the same
- Reassure the applicant that they can report a change in the future

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ACCOUNT INFORMATION

Contact Information

BUILD HOUSEHOLD

Household Members

Relationships

Residential Address

Household Summary

Public MEC

INCOME INFORMATION

Income Details

Income Details

Income Summary

OTHER INFORMATION

APPLICATION SUMMARY

FIND A PLAN

Your Income Information

Tell us about your expected yearly income for the upcoming year.

Single filer name (Filing Single)

Do you expect [name]'s income for 2014 to be the same as what was reported on his/her 2013 federal tax return?

Yes

No

I don't know



What do you expect [name]'s yearly income to be in 2014?

[Name]:

\$

I don't know

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Household's AGI Expected to Remain the Same (cont'd.)

- If answer is "yes" and expected yearly income for coverage year is found to be reasonably compatible with federal and State data sources, no further income information will be required
 - Income verification process is complete

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How do I build income when the applicant's AGI is expected to be the same as the previous year?

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Case Study: Catherine Smith

- Owns Cat's Cuts and Curls as a partnership with her sister
- Claimed her self-employment income on her last tax return
- Anticipates her income will remain the same as the previous year
- Has her tax return with her when she meets with the Navigator/Assistor



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Your Income Information

Tell us about your expected yearly income for the upcoming year.

Catherine Anna Smith (Filing Single)

Do you expect Catherine Anna Smith 's yearly income for 2014 to be the same as what was reported on his/her 2013 federal income tax return? *

Yes
 No
 I don't know

What do you expect Catherine Anna Smith 's yearly income will be in 2014? *

Catherine Anna Smith

\$

I don't know

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1040 U.S. Individual Income Tax Return **2013**

Your first name and initial: **Catherine A** Last name: **Smith** Your social security number: **1 2 3 4 5 6 7 8 9**

123 Main Street Anytown, NY 12345

Filing Status: Single

Exemptions: Yourself, Spouse, Dependents

Income	Amount
7 Wages, salaries, tips, etc. Attach Form(s) W-2	7
8a Taxable interest. Attach Schedule B if required	8a
8b Tax-exempt interest. Do not include on line 8a	8b
9a Ordinary dividends. Attach Schedule B if required	9a
9b Qualified dividends	9b
10 Taxable refunds, credits, or offsets of state and local income taxes	10
11 Alimony received	11
12 Business income or (loss). Attach Schedule C or C-EZ	12
13 Capital gain or (loss). Attach Schedule D if required. If not required, check here <input type="checkbox"/>	13
14 Other gains or (losses). Attach Form 4797	14
15a IRA distributions 15a	15a
15b Taxable amount	15b
16a Pensions and annuities 16a	16a
16b Taxable amount	16b
17 Rental real estate, royalties, partnerships, S corporations, trusts, etc. Attach Schedule E	17 19145.00
18 Farm income or (loss). Attach Schedule F	18
19 Unemployment compensation	19
20a Social security benefits 20a	20a
20b Taxable amount	20b

17 Rental real estate, royalties, partnerships, S corporations, trusts, etc. Attach Schedule E **17 19145.00**

28 Self-employed SEP, SIMPLE, and qualified plans 28

29 Self-employed health insurance deduction 29

30 Penalty on early withdrawal of savings 30

31a Alimony paid. b Recipient's SSN 31a

32 IRA deduction 32

33 Student loan interest deduction 33

34 Tuition and fees. Attach Form 9917 34

35 Domestic production activities deduction. Attach Form 9903 35

36 Add lines 23 through 35 36 165.00

37 Subtract line 36 from line 22. This is your **adjusted gross income** 37 19000.00

For Disclosure, Privacy Act, and Paperwork Reduction Act Notice, see separate instructions. Form 1040 2013

<p>Attach Form(s) W-2 here. Also attach Form(s) W-9 and 1099-E if tax was withheld.</p> <p>If you did not get a W-2, see instructions.</p>	b	Tax-exempt interest. Do not include on line 8a	8b			
	9a	Ordinary dividends. Attach Schedule B if required	9a			
	b	Qualified dividends	9b			
	10	Taxable refunds, credits, or offsets of state and local income taxes	10			
	11	Alimony received	11			
	12	Business income or (loss). Attach Schedule C or C-EZ	12			
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	b	Taxable amount	15b			
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	b	Taxable amount	20b			
	21	Other income. List type and amount	21			
	22	Combine the amounts in the far right column for lines 7 through 21. This is your total income	22			
	Adjusted Gross Income	23	Educator expenses	23		
		24	Certain business expenses of reservists, performing artists, and fee-basis government officials. Attach Form 2106 or 2106-EZ	24		
		25	Health savings account deduction. Attach Form 8889	25		
26		Moving expenses. Attach Form 3903	26			
27		Deductible part of self-employment tax. Attach Schedule SE	27	145	00	
28		Self-employed SEP, SIMPLE, and qualified plans	28			
29		Self-employed health insurance deduction	29			
30		Penalty on early withdrawal of savings	30			
35		Domestic production activities deduction. Attach Form 8903	35			
36		Add lines 23 through 35	36			
37	Subtract line 36 from line 22. This is your adjusted gross income	37	19000	00		

For Disclosure, Privacy Act, and Paperwork Reduction Act Notice, see separate instructions. Cat. No. 113208 Form 1040 (2013)

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ACCOUNT INFORMATION

Contact Information

BUILD HOUSEHOLD

Household Members

Relationships

Residential Address

Household Summary

Public MEC

INCOME INFORMATION

Income Details

Income Details

Income Summary

OTHER INFORMATION

APPLICATION SUMMARY

FIND A PLAN

Your Income Information

Tell us about your expected yearly income for the upcoming year.

Catherine Anna Smith (Filing Single)

Do you expect Catherine Anna Smith 's yearly income for 2014 to be the same as what was reported on his/her 2013 federal income tax return? *

Yes

No

I don't know

What do you expect Catherine Anna Smith 's yearly income will be in 2014? *

Catherine Anna Smith

\$ 19000.00

I don't know

Back Next

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- ✓ ACCOUNT INFORMATION
- ✓ Contact Information
- ✓ BUILD HOUSEHOLD
- ✓ Household Members
- ✓ Relationships
- ✓ Residential Address
- ✓ Household Summary
- ✓ Public MEC
- ✓ INCOME INFORMATION
- ✓ Income Details
- ✓ Income Details
- ✓ Income Summary
- OTHER INFORMATION >
- APPLICATION SUMMARY
- FIND A PLAN

Coverage Catherine Has

This information is needed to determine if you can get help to pay for all or some of your health insurance premiums.



Is Catherine enrolled in health care coverage now? Select yes even if the coverage is from someone else's job, such as a parent or spouse. Select no if you are currently enrolled in Medicare, Medicaid, Child Health Plus, Family Health Plus, Tricare, Veteran's Health Care Program, or the Peace Corps. *

Yes No

Back
Next

Income section is complete for Catherine's application

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Reviewing Key Concepts

- What does AGI stand for?
 - AGI stands for Adjusted Gross Income

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Reviewing Key Concepts

- On what line of the 1040 is the AGI listed?
 - The AGI is listed on Line 37



Break for Questions



If Income is Expected to be Different

- Assistance can be provided in building income when income reported in the tax return is not reflective of current income
- In these situations the assister will help the individual in constructing the household's projected annual income

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How do I build income when the applicant's AGI will not be the same as the previous year?

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CAI




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Household's AGI **Not** Expected to Remain the Same

- Applicant anticipates that income for the coverage year will not be the same as previous year
- Changes may be expected for:
 - Wages
 - Income other than self-employment

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CAI



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Household's AGI **Not** Expected to Remain the Same (cont'd.)

- However, if self-employment income is *not* expected to change it can be entered directly on the "Additional Income" screen in the Marketplace using what was reported on previous year's tax return
- Allowable business deductions can be entered on the "Deductions" screen

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Additional Income

The Marketplace also needs to know about other income you and your family will get during the coverage year. Do not tell us about income sources such as child support, Veterans Payments, worker's compensation, Supplemental Security Income (SSI), or gifts/inheritances. You also do not have to tell us about your assets or resources. If you already told us about an income source, do not re-enter this information here.

Click on **Add Additional Income** to include income from other sources. Click on **Edit income** to change the amount you receive from this income. Click on **Remove Income** to delete this income source.

If you do not have any additional income, check the box next to your name.

NAME	+ Add Additional Income
<input type="checkbox"/> [NAME]	will have no Additional income in 2014. Click here to add additional income for [NAME] +

[Back](#) [Next](#)
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Add / Edit Additional Income

What type of income will this person be receiving? *



How much do you get from this income source, before taxes? *

Amount How Often?

per

[Close](#) [Next](#)
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Additional Income Choices for Self-Employment

IRA Distributions (taxable amount only)
Pensions & Annuities (total amount)
Pensions & Annuities (taxable amount only)
Alaska Permanent Fund Dividends
Taxable refunds, credits, etc of state & local inc taxes
Alimony Received
Business Income 1040 Line 12
Other Gains
Rental R-E, royalties, partnerships, S-Corps, trusts 1040 Line 17
Farm Income 1040 Line 18
Other Income: (applicable only to the 1040 form)
Net operating loss
Stock Options
Cancellation of debt
Foreign Earned Income Exclusion (amt is excluded from income to arrive at total income for line 22)
Gambling Income
Other income
Capital Loss
Business Loss 1040 Line 12/Line 17/Line 18
Other Losses

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Add / Edit Deductions ✕



What type of deduction will this person be claiming on their taxes in 2014? *

--Select Deduction Type-- ▼

How much will you be claiming for this deduction? *

Amount per Frequency --Select-- ▼

Close Next
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Deductions Specific to Self-Employment Income

- Educator expenses
- IRA deduction
- Student loan interest deduction
- Tuition & fees
- Certain business expenses (reservists, artists, f-B gov't offls)
- Health savings account deduction
- Moving expenses
- Deductible part of Self-Employment (S/E) tax
- S/E SEP, SIMPLE, & qualified plans
- S/E health insurance deduction
- Penalty on early withdrawal of savings
- Alimony paid
- Domestic production activities deduction
- Additional adjustments added on line 36 (1040 only)
- Archer MSA deduction
- Other adjustments

1040 Line 27
1040 Line 28
1040 Line 29


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Case Study: Bernie Williams

- Owns ABC Printing as a Sole Proprietor
- Attests to filing taxes
- Wife quit her job and is not eligible for Unemployment Benefits
- Anticipates his self-employment income will remain the same as the previous year
- Has his tax return with him when he meets with the Navigator/Assistor
- Other income in his household has changed



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Additional Income

The Marketplace also needs to know about other income you and your family will get during the coverage year. Do not tell us about income sources such as child support, Veterans Payments, worker's compensation, Supplemental Security Income (SSI), or gifts/inheritances. You also do not have to tell us about your assets or resources. If you already told us about an income source, do not re-enter this information here.



Click on **Add Additional Income** to include income from other sources. Click on **Edit Income** to change the amount you receive from this income. Click on **Remove Income** to delete this income source.

If you do not have any additional income, check the box next to your name.

Bernie

Bernie will have no Additional income in 2014. [Click here to add additional income for Bernie.](#) *

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Add / Edit Additional Income

What type of income will this person be receiving? *

--Select Income Type-- ▾

How much do you get from this income source, before taxes? *

Amount How Often?

per --Select-- ▾

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Add / Edit Additional Income


What type of income will this person be receiving? *

Business Income

--Select Income Type--


- Taxable Interest
- Tax Exempt Interest
- Ordinary Dividends
- Qualified Dividends
- Capital Gain Distributions (applicable to 1040A only)
- Capital Gain
- IRA Distributions (total distributions)
- IRA Distributions (taxable amount only)
- Pensions & Annuities (total amount)
- Pensions & Annuities (taxable amount only)
- Alaska Permanent Fund Dividends
- Taxable refunds, credits, etc of state & local inc taxes
- Alimony Received
- Business Income**
- Other Gains
- Rental R-E, royalties, partnerships, S-Corps, trusts
- Farm Income
- Other Income. (applicable only to the 1040 form)
- Net operating loss

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1040 Department of the Treasury - Internal Revenue Service **2013**

U.S. Individual Income Tax Return 2013



For the year 2013, 2012, or other tax year beginning on 12/31/2013, or other tax year beginning on 12/31/2013, or other tax year beginning on 12/31/2013

Birth date **Last name** **Year social security number**

Spouse's birth date **Last name** **Spouse's social security number**

Home address (number and street), if you have a P.O. box, see instructions. **Appt. no.**

456 Crank Rd **Residential Election Campaign**

Anywhere, NY 67890 **Check one box if you are not receiving only one \$10000 bonus. Check box if you are not receiving only one \$10000 bonus.**

Filing Status

1 Single **4** Head of household (if qualifying person is a child that is not your dependent, enter the child's name here.)

2 Married filing jointly (even if only one had income)

3 Married filing separately. Enter spouse's SSN above and full name here. **5** Qualifying widow(er) with dependent child

Exemptions

6a Yourself. If someone can claim you as a dependent, do not check box 6a. **Enter checked boxes on line 7.**

b Spouse **1**

c **Dependents** **8** If it still meets age 17 criteria for child tax credit for each child.

Income

7 **Wages, salaries, fees, etc. Attach Form(s) W-2** **7** 18170 00

8a **Taxable interest. Attach Schedule B if required.** **8a**

b **Tax-exempt interest. Do not include on line 8a.** **8b**

9a **Ordinary dividends. Attach Schedule B if required.** **9a**

b **Qualified dividends.** **9b**

10 **Taxable refunds, credits, or offsets of state and local income taxes.** **10**

11 **Alimony received.** **11**

12 **Business income or loss. Attach Schedule C or C-EZ.** **12** 22400 00

13 **Capital gain or loss. Attach Schedule D if required. If not required, check here.** **13**

14 **Other gains or losses. Attach Form 4797.** **14**

15a **IRA distributions.** **15a** **b** **Taxable amount.** **15b**

16a **Pensions and annuities.** **16a** **b** **Taxable amount.** **16b**

17 **Rental real estate, royalties, partnerships, S corporations, trusts, etc. Attach Schedule E.** **17**

18 **Farm income or loss. Attach Schedule F.** **18**

19 **Unemployment compensation.** **19**

20a **Social security benefits.** **20a** **b** **Taxable amount.** **20b**

21 **Other income. List type and amount.** **21**

22 **Combine the amounts in the far right column for lines 7 through 21. This is your total income.** **22**

Adjusted Gross Income

23 **Educator expenses.** **23**

24 **Carer's business expenses of reservists, performing artists, and fee-based government officials. Attach Form 2106 or 2106-EZ.** **24**

25 **Health savings account deduction. Attach Form 8889.** **25**

26 **Moving expenses. Attach Form 3903.** **26**

27 **Discretionary part of self-employment tax. Attach Schedule SE.** **27** 400 00

28 **Self-employed SEP, SIMPLE, and qualified plans.** **28**

29 **Self-employed health insurance deduction.** **29**

30 **Penalty on early withdrawal of savings.** **30**

31a **Alimony paid. b** **Recipient's SSN.** **31a**

32 **IRA deduction.** **32**

33 **Student loan interest deduction.** **33**

34 **Tuition and fees. Attach Form 8871.** **34**

35 **Domestic production activities deduction. Attach Form 8803.** **35**

36 **Add lines 23 through 35.** **36** 400 00

37 **Subtract line 36 from line 22. This is your adjusted gross income.** **37** 400 00

For Disclosures, Privacy Act, and Paperwork Reduction Act Notices, see separate instructions. **Form 1040 2013**

Check only one 3 Married filing separately. Enter spouse's SSN above child's name here

and full name here 5 Qualifying widow(er) with dependent child

Exemptions

6a Yourself. If someone can claim you as a dependent, do not check box 6a

b Spouse

c Dependents:

(1) First name	Last name	(2) Dependent's social security number	(3) Dependent's relationship to you	(4) <input type="checkbox"/> if child under age 17 qualifying for child tax credit (see instructions)

d Total number of exemptions claimed Add numbers on lines above



Income

7	Wages, salaries, tips, etc. Attach Form(s) W-2	18776	00
8a	Taxable interest. Attach Schedule B if required		
b	Tax-exempt interest. Do not include on line 8a	8b	
9a	Ordinary dividends. Attach Schedule B if required	9a	
b	Qualified dividends	9b	
10	Taxable refunds, credits, or offsets of state and local income taxes	10	
11	Alimony received	11	
12	Business income or (loss). Attach Schedule C or C-EZ	22400	00

12 Business income or (loss). Attach Schedule C or C-EZ

Adjusted Gross Income

23	Educator expenses	23	
24	Certain business expenses of reservists, performing artists, and fee-basis government officials. Attach Form 2796 or 2796-EZ.	24	
25	Health savings account deduction. Attach Form 8889	25	



Edit Additional Income

What type of income will this person be receiving? *

How much do you get from this income source, before taxes? *

Amount per How Often?

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Bernie + Add Additional Income

Source	Income	Actions
Business Income	\$22400.00/yr	Remove Income Edit Income

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Add / Edit Deductions ×

What type of deduction will this person be claiming on their taxes in 2014? *

How much will you be claiming for this deduction? *



Amount per Frequency

Close Next

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<p>Attach Form 1099-INT, 1099-DIV, 1099-B, and 1099-R if tax was withheld.</p> <p>If you did not get a W-2, see instructions.</p>	b	Tax-exempt interest. Do not include on line 8a	8b			
	9a	Ordinary dividends. Attach Schedule B if required	9a			
	b	Qualified dividends	9b			
	10	Taxable refunds, credits, or offsets of state and local income taxes			10	
	11	Alimony received			11	
	12	Business income or (loss). Attach Schedule C or C-EZ			12	22400 00
	13	Capital gain or (loss). Attach Schedule D if required. If not required, check here		<input type="checkbox"/>	13	
	14	Other gains or (losses). Attach Form 4797			14	
	15a	IRA distributions	15a		15b	
				b Taxable amount		
	16a	Pensions and annuities	16a		16b	
				b Taxable amount		
	17	Rental real estate, royalties, partnerships, S corporations, trusts, etc. Attach Schedule E			17	
	18	Farm income or (loss). Attach Schedule F			18	
	19	Unemployment compensation			19	
	20a	Social security benefits	20a		20b	
				b Taxable amount		
	21	Other income. List type and amount			21	
	22	Combine the amounts in the far right column for lines 7 through 21. This is your total income			22	
	<p>Adjusted Gross Income</p>	23	Educator expenses	23		
		24	Certain business expenses of reservists, performing artists, and fee-basis government officials. Attach Form 2106 or 2106-EZ	24		
		25	Health savings account deduction. Attach Form 8889	25		
27	Deductible part of self-employment tax. Attach Schedule SE	27	400 00		400 00	
28	Self-employed SEP, SIMPLE, and qualified plans	28				
29	Self-employed health insurance deduction	29				
34	Tuition and fees. Attach Form 8917	34				
35	Domestic production activities deduction. Attach Form 8903	35				
36	Add lines 23 through 35	36			400 00	
37	Subtract line 36 from line 22. This is your adjusted gross income	37			40776 00	

For Disclosure, Privacy Act, and Paperwork Reduction Act Notice, see separate instructions. nystateofhealth.ny.gov Cat. No. 113208 Form 1040 (2013)

Add / Edit Deductions ✕



What type of deduction will this person be claiming on their taxes in 2014? *

Deductible part of Self-Empc ▼

How much will you be claiming for this deduction? *

Amount per Frequency

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Bernie

Deduction	Amount	Actions
S/E health insurance deduction	\$400.00/yr	<input type="button" value="Remove Deduction"/> <input type="button" value="Edit Deduction"/>

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Household Income Summary

Review the information on this page to make sure it accurately reflects what you have reported or updated.

Click on **Make Changes** in any area that you would like to edit or modify. You can also click Back to review your information. Once you are satisfied that the information is correct, check the box "I agree with the amount shown" and then click **Next**.



Deductions Make Changes

Member	Deduction	Annual Amount
Bernie	S/E health insurance deduction	\$400.00

Additional Income Make Changes

Member	Income Amount	Annual Amount
Bernie	Business Income	\$22,400.00

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What if the Business is Reporting a Loss?

- The applicant can enter a business loss by using the "Additional Income" screens
- The negative income or loss will be subtracted from the household's total countable income during the eligibility determination

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Case Study: Daisy Duke

- Did not have wages the previous year but has recently began working at Golden's Retail, Inc.
- Also owns Duke's Used Cars which is a Sole Proprietorship
 - Previous year's tax return shows business loss
- Anticipates her **self-employment income** will remain the same as the previous year



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Exemptions		Income																										
6a <input type="checkbox"/> Yourself. If someone can claim you as a dependent, do not check box 6a b <input type="checkbox"/> Spouse c Dependents: <table border="1" style="width: 100%;"> <thead> <tr> <th>(1) First name</th> <th>Last name</th> <th>(2) Dependent's social security number</th> <th>(3) Dependent's relationship to you</th> <th>(4) <input type="checkbox"/> if child under age 17 qualifying for child tax credit (see instructions)</th> </tr> </thead> <tbody> <tr><td> </td><td> </td><td> </td><td> </td><td> </td></tr> <tr><td> </td><td> </td><td> </td><td> </td><td> </td></tr> <tr><td> </td><td> </td><td> </td><td> </td><td> </td></tr> <tr><td> </td><td> </td><td> </td><td> </td><td> </td></tr> </tbody> </table> d Total number of exemptions claimed		(1) First name	Last name	(2) Dependent's social security number	(3) Dependent's relationship to you	(4) <input type="checkbox"/> if child under age 17 qualifying for child tax credit (see instructions)																					7 Wages, salaries, tips, etc. Attach Form(s) W-2 7 (7)	
(1) First name	Last name	(2) Dependent's social security number	(3) Dependent's relationship to you	(4) <input type="checkbox"/> if child under age 17 qualifying for child tax credit (see instructions)																								
12 Business income or (loss). Attach Schedule C or C-EZ 12 (3450 00)		11 Alimony received 11 13 Capital gain or (loss). Attach Schedule D if required. If not required, check here 13																										
Adjusted Gross Income 25 Health savings account deduction. Attach Form 8889 25		22 Combine the amounts in the far right column for lines 7 through 21. This is your total income 22																										

Additional Income

The Marketplace also needs to know about other income you and your family will get during the coverage year. Do not tell us about income sources such as child support, Veterans Payments, worker's compensation, Supplemental Security Income (SSI), or gifts/inheritances. You also do not have to tell us about your assets or resources. If you already told us about an income source, do not re-enter this information here.

Click on **Add Additional Income** to include income from other sources. Click on **Edit Income** to change the amount you receive from this income. Click on **Remove Income** to delete this income source.

If you do not have any additional income, check the box next to your name.

Daisy Duke + Add Additional Income

Daisy will have no Additional Income in 2014. [Click here](#) to add additional income for

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Text



Add / Edit Additional Income ✕

What type of income will this person be receiving? *

Business Loss ▾

- IRA Distributions (taxable amount only)
- Pensions & Annuities (total amount)
- Pensions & Annuities (taxable amount only)
- Alaska Permanent Fund Dividends
- Taxable refunds, credits, etc of state & local inc taxes
- Alimony Received
- Business Income
- Other Gains
- Rental R-E, royalties, partnerships, S-Corps, trusts
- Farm Income
- Other Income: (applicable only to the 1040 form)
- Net operating loss
- Stock Options
- Cancellation of debt
- Foreign Earned Income Exclusion (amt is excluded from income to arrive at total income for line 2
- Gambling Income
- Other income
- Capital Loss
- Business Loss
- Other Losses

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Add / Edit Additional Income ✕

What type of income will this person be receiving? *

Business Loss

How much do you get from this income source, before taxes? *



Amount: 3450.00 per

How Often?

- Annual (Once a year)
- Select--
- Hourly
- Weekly
- Bi-weekly(Every two weeks)
- Twice a Month
- Monthly(Once a month)
- Quarterly(4x year)
- Annual (Once a year)

Close Next

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Additional Income

The Marketplace also needs to know about other income you and your family will get during the coverage year. Do not tell us about income sources such as child support, Veterans Payments, worker's compensation, Supplemental Security Income (SSI), or gifts/inheritances. You also do not have to tell us about your assets or resources. If you already told us about an income source, do not re-enter this information here.

Click on **Add Additional Income** to include income from other sources. Click on **Edit Income** to change the amount you receive from this income. Click on **Remove Income** to delete this income source.

If you do not have any additional income, check the box next to your name.

Daisy Duke + Add Additional Income

Source	Income	Actions
Business Loss	\$3,450.00/yr	Remove Income Edit Income

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Household Income Summary

Review the information on this page to make sure it accurately reflects what you have reported or updated.

Click on **Make Changes** in any area that you would like to edit or modify. You can also click Back to review your information. Once you are satisfied that the information is correct, check the box "I agree with the amount shown" and then click **Next**.

Income from Golden's Retail, Inc.	\$45,250
Less Business Loss	<u>-3,450</u>
Annual Household Income	\$41,800

Income from a Job Make Changes

Member	Income Source	Annual Amount
Daisy Duke	Golden's Retail, Inc.	\$45,250.00

Additional Income Make Changes

Member	Income Amount	Annual Amount
Daisy Duke	Business Loss	\$3,450.00

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Eligibility Determination

Below are the eligibility results for health coverage for everyone on the application. This tells you what program each person qualifies for and the amount of help paying for health coverage the person can receive, if any.

Call the Marketplace at 1-855-355-5777 (TTY 1-800-662-1220) if you have questions about how your eligibility was determined.

We reviewed your application for insurance using the new information you have told us about your household and your income. This message verifies the change in eligibility.

Daisy Duke Advance Premium Tax Credit Marketplace ID:HX000002455

Congratulations! You are eligible to enroll in a qualified health plan through the Marketplace and receive tax credits to help pay for the cost of your insurance.

Annual Household Income	Federal Poverty Level	Maximum Tax Credit
\$41,800.00	363.79%	\$144.40 per month

138% Medicaid 400% Premium Assistance Greater than 400% Full Pay

You must choose a plan for your health insurance coverage to start. Click on **Choose a Plan** to compare and pick a health plan. You can also pick a plan over the phone by calling Customer Service at 1-855-355-5777.

nystateofhealth.ny.gov Choose a Plan



Reviewing Key Concepts

- Will the Marketplace allow the consumer to enter a negative value?
 - No. Negative values cannot be entered in the Marketplace however if the option for "business loss" is chosen the marketplace will appropriately subtract that income loss from the household's total countable income.



Break for Questions



How do Applicants Build Income?

- Applicants will be given the opportunity to build their income when they do not expect it to be the same as what was reported on the previous year's tax return
 - Can attest to 3 month average of self-employment income and expenses
 - Can attest to inconsistent or seasonal self-employment income

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Building Self-Employment Income

- Process used when:
 - Applicant does not file a tax return for business;
 - Business is new and a tax return has not been filed; or
 - Last year's business earnings are not representative of anticipated income for coverage year

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Building Self-Employment Income (cont'd).

- May enter past 3 months of actual business income/expenses or estimated business income/expenses for the next 3 months
- Applicant will be able to enter all business expenses allowed by IRS in this section

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Case Study: Katie Breckenridge

- Owns Katie's Artisan Works
- New Business
- Sole Proprietorship



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The Official HealthPlan Marketplace

Income From a Job

We checked state, federal and other data sources for any income you and your family may have received this year. The Marketplace will use this information to verify what you tell us about your income.

Click on **Add Income Source** to add a job that is not listed below. Click on **Edit Income** to tell us how much you receive from this job. Click on **Remove Income** to delete this income source.

You may see information listed about your current or previous employer. Click on **Never Worked Here**, if you never worked at the job shown below. Click on **No Longer Working Here** if you will not be working at this job in the future.

If you do not have any income from a job, check the box next to your name.

NAME **+ Add Income Source**

Back Next

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Edit Job / 1099 Income

Step 1. Employer Details > Step 2. Add Income

Employer / Company Name * D/B/A Name

Katie's Artisan Works Employer DBA Name

Self employed



Employer / Business Address

Address Line 1 * Address Line 2

100 Carney Drive

City * ZIP Code * State *

Sanborn 14132 NEW YORK
nystateofhealth.ny.gov

Edit Job / 1099 Income

Step 1. Employer Details > Step 2. Add Income

Katie's Artisan Works
 100 Carney Drive,
 Sanborn NY, 14132

Tell us your expected self-employment income. You can enter **either** the past three months of actual business income/expenses from this year, **or** the estimated income/expenses expected in the first three months of 2014. We ask for three months of information because you may not earn the same amount each month. It is also more accurate to collect three months of information.

If three months of business income/expenses do not accurately reflect your annual income, you may enter your self-employment income as income from a job and select your income frequency as Inconsistent/Seasonal.

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Edit Job / 1099 Income

Step 1. Employer Details > Step 2. Add Income

Business Income (Last Three Months)	Month 1 04 / 2014	Month 2 05 / 2014	Month 3 06 / 2014
Gross Sales	230.00	480.00	355.00
Rents Received	0.00	0.00	0.00
Royalties Received	0.00	0.00	0.00
Inventory Purchases	85.00	147.00	110.00
Gross Income	\$145.00	\$333.00	\$245.00
Business Expenses	04/2014	05/2014	06/2014
<input type="button" value="Add Business Expense"/>			
Total Business Expenses	\$0.00	\$0.00	\$0.00
Average Net Income			\$241.00

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Next

Edit Job / 1099 Income

Step 1: Employer Details → Step 2: Add Income

	Month 2 05 / 2014	Month 3 06 / 2014
--Select--		
Commissions and fees		
Contract labor		
Depletion		
Depreciation and section 179 Expense deduction		
Employee benefit programs		
Legal and professional services		
Office expenses		
Pension and profit-sharing plans		
Telephone	480.00	355.00
Supplies		
Heat/Utilities	0.00	0.00
Advertising		
Interest	147.00	110.00
Insurance		
Bank Charges	\$333.00	\$245.00
Repairs and Maintenance		
Business Taxes and licenses	05/2014	06/2014
Business Vehicle Expenses		
Telepho	0.00	0.00
		0.00 ✘
Add Business Expense		
Total Business Expenses	\$0.00	\$0.00
Average Net Income		\$241.00

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Edit Job / 1099 Income

Step 1: Employer Details → Step 2: Add Income

	Month 2 05 / 2014	Month 3 06 / 2014
Bank Charges	480.00	355.00
Repairs and Maintenance		
Business Taxes and licenses		
Business Vehicle Expenses		
Business Rental Property		
Business travel, meals		
Business Equipment Rental		
Other Expenses(specify)		
--Farm Expenses--		
Chemicals	0.00	0.00
Conservation expenses		
Custom hire		
Feed	0.00	0.00
Fertilizers and lime		
Freight and trucking	147.00	110.00
Gasoline, fuel, and oil		
Labor hired (less employment credit)	\$333.00	\$245.00
Seeds and plants		
Veterinary, breeding, and medicine	05/2014	06/2014
Other expenses (Specify)		
Bank Ch	0.00	0.00
		0.00 ✘
Add Business Expense		
Total Business Expenses	\$0.00	\$0.00
Average Net Income		\$241.00

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Edit Job / 1099 Income

Step 1. Employer Details > Step 2. Add Income

Business Income (Last Three Months)	Month 1	Month 2	Month 3
	04 / 2014	05 / 2014	06 / 2014
Gross Sales	230.00	480.00	355.00
Rents Received	0.00	0.00	0.00
Royalties Received	0.00	0.00	0.00
Inventory Purchases	85.00	147.00	110.00
Gross Income	\$145.00	\$333.00	\$245.00
Business Expenses	04/2014	05/2014	06/2014
Telepho	60.00	60.00	60.00 ✕
Add Business Expense			
Total Business Expenses	\$60.00	\$60.00	\$60.00
Average Net Income			\$181.00

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Katie Breckenridge + Add Income Source

Employer	Income	Actions
Katie's Artisan Works 100 Carney Drive, Sanborn NY, 14132	\$2172.00	Remove Income Edit Income

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Examples of Acceptable Documentation

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Account #: 99887766-55 Page 1 of 4



Number One Bank **PERIODIC STATEMENT**
 Date: April 30, 2014
 Period: April 01, 2014 to April 30, 2014 (30 Days)

Home Cleaning Solutions
 PO Box 789
 Saratoga, NY 12345

Account Type: Checking Account #: 99887766-55

Beginning Balance as of 4/1/14	\$6,449.89
Deposits & Other Credits	\$17,167.46
Checks & Other Debits	\$15,578.22
Average Balance	\$2,994.73
Ending Balance as of 4/30/14	\$8,039.13

Charges and Fees

2 Administrative Review Fee	\$10.00
3 Paid NSF Fee	\$111.00
3 Paid UCF Fee	\$111.00

Transaction Information

Date	Check#	Description	Amount
3/31		***Reversal	-\$2,075.00
4/1		Deposit	\$2,075.00
4/18	3256	Paid NSF Fee AMT: \$1,000.00	-\$37.00
4/18	3265	Paid NSF Fee AMT: \$100.00	-\$37.00
4/18	3264	Paid NSF Fee AMT: \$88.94	-\$37.00
4/19		Administrative Review Fee	-\$5.00
4/20		Administrative Review Fee	-\$5.00
4/21		Deposit	\$1,632.22
4/21	3268	Paid NSF Fee AMT: \$245.80	-\$37.00
4/21	3267	Paid NSF Fee AMT: \$294.40	-\$37.00
4/21	3266	Paid NSF Fee AMT: \$175.60	-\$37.00
4/28		Deposit	\$1,200.00
4/28		Withdrawal	-\$1,200.00
4/30		Deposit	\$3,305.44
Automated Clearing House			
4/1		ACH Deposit PYMT PROC FNBO	\$2,997.79

IT Solutions, Inc.	
Profit & Loss	
January through June 2014	
Ordinary Income/Expense	
Income	
4200 - Product Revenue	
4202 - ABC Statistics	265.51
4201 - G.W. Bridgeman	720.75
4200 - Product Revenue - Other	55.00
Total 4200 - Product Revenue	1,041.26
4100 - Service Revenue	17,983.75
Total Income	19,025.01
Cost of Goods Sold	
5000 - Project Related Costs	
5300 - Solution Products Cost	51.99
Total 5000 - Project Related Costs	51.99
Total COGS	51.99
Gross Profit	18,973.02
Expense	
Business Service	
6104 - Online Sale Service	120.00
Business Service - Other	220.80
Total Business Service	340.80
6100 - Advertising Expense	656.92
6155 - Dues and Subscriptions	250.00
6180 - Insurance	
6186 - Professional Liability Ins	199.00
Total 6180 - Insurance	199.00
6238 - Marketing	996.00
6230 - Office Equipment Software	287.09
Total 6250 - Office Equipment	287.09
6310 - Office Supplies	240.55
6270 - Professional Development	69.95
6265 - Instructional Services	4,086.32
Total Rent	4,086.32
6330 - Travel & Entertainment	
6336 - Travel	33.50
6330 - Travel & Entertainment -	24.00
Total 6330 - Travel & Entertainment	57.50
Total Expense	7,184.13
Net Ordinary Income	11,788.89
Net Income	11,788.89



What if an Applicant's Income is Inconsistent or Seasonal?

- If the applicant's 3 month average of business income does not accurately reflect their annual income it may be entered separately as "income from a job"
 - Enter income as Inconsistent/Seasonal on the "Add Job/1099 Income" screen
 - Do not check "self-employed"

Edit Job / 1099 Income



Step 1. Employer Details > Step 2. Add Income

Tell us your expected self-employment income. You can enter **either** the past three months of actual business income/expenses from this year, **or** the estimated income/expenses expected in the first three months of 2014. We ask for three months of information because you may not earn the same amount each month. It is also more accurate to collect three months of information.

If three months of business income/expenses do not accurately reflect your annual income, you may enter your self-employment income as income from a job and select your income frequency as Inconsistent/Seasonal.

Business Income (Last Three Months)	Month 1	Month 2	Month 3
	MM / 2014	MM / 2014	MM / 2014
Gross Sales	0.00	0.00	0.00
Rents Received	0.00	0.00	0.00
Royalties Received	0.00	0.00	0.00

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Case Study: Bob Tupper

- Owns Bob's Lawn Care as a Sole Proprietor
- Attests to filing taxes
- Anticipates his self-employment income will not remain the same as the previous year
- Work is seasonal and inconsistent
- He does not have his tax return with him when he meets with the Navigator/Assistor

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Income From a Job

We checked state, federal and other data sources for any income you and your family may have received this year. The Marketplace will use this information to verify what you tell us about your income.

Click on **Add Income Source** to add a job that is not listed below. Click on **Edit Income** to tell us how much you receive from this job. Click on **Remove Income** to delete this income source.

You may see information listed about your current or previous employer. Click on **Never Worked Here**, if you never worked at the job shown below. Click on **No Longer Working Here** if you will not be working at this job in the future.

If you do not have any income from a job, check the box next to your name.

NAME

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Add Job / 1099 Income

Step 1. Employer Details **>** Step 2. Add Income

Employer / Company Name * D/B/A Name

Self employed **Leave blank**

Employer / Business Address

Address Line 1 * Address Line 2

City * ZIP Code * State *

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Edit Job / 1099 Income

Step 1. Employer Details ▶ Step 2. Add Income

Bob's Lawn Care
230 Oliver St,
North Tonawanda NY, 14120

Do you expect this income to be steady month-to-month or inconsistent / seasonal? *



Steady Inconsistent / Seasonal

Tell us the estimated start and end dates. Write in how much is earned from this job during this time period, including tips or commission, **before taxes**. *

Amount: \$ 6500.00 Start Date: 04 - 01 - 2014 End Date: 08 - 31 - 2014

[+ Add another income schedule](#)



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Employer	Income	Actions
Bob's Lawn Care 230 Oliver St, North Tonawanda NY, 14120	\$6500.00	Remove Income Edit Income

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Requests for Additional Documentation

- Paper documentation may be requested when information cannot be validated through an electronic data source or when information from a data source is not reasonably compatible with information provided by the individual.

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Reviewing Key Concepts

- Acceptable Forms of Documentation
 - Previous year's federal tax return, or
 - Business records and receipts for a period of three months, or
 - Records of earnings and expenses for a period of three months
 - If documents submitted are marked invalid, contact the call center and ask why the documents were not acceptable.

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Wrap-Up

- Who is Considered Self-Employed
- Types of Self-Employment Income
- Self-Employment Income on a Tax Return
- Various Reporting Options for Self-Employment Income in the Marketplace
- Documentation Requirements for the Self-Employed



Questions?



End of the Inning...

- Please complete Inning #5 survey
- Watch for inning replay to be posted to <http://info.nystateofhealth.ny.gov/SpringTraining>
- Inning #6 – Going to the Bullpen: How the Media Can Help You
 - Wednesday, September 3rd at 10:00am
 - invitation to follow