

	<b>Minimum wage</b>	<b>Home-based businesses</b>	<b>New businesses</b>	<b>Type of deduction</b>	<b>Other rules and regulations</b>
<b>Alabama</b>	n/a	n/a	n/a	40% standard	n/a
<b>Alaska</b>	n/a	n/a	Income for new activities is the income for the first three months of activity or zero, whichever is greater	Itemized	Eligibility re-determined every three months
<b>Arizona</b>	Amount of care authorized by dividing the monthly net income by the hourly minimum wage	n/a	n/a	Itemized	n/a
<b>Arkansas</b>	n/a	n/a	The client's own records or bookkeeper's records can be used if the self-employment activity is under one year old	Itemized	n/a
<b>California</b>	Used to determine need for care when unable to assess based on documentation	Parent must provide justification for requesting care based on the type of work, age of child, and specific needs	n/a	Unknown	n/a
<b>Colorado</b>	Applicant must show that his/her taxable gross income divided by the number of hours of care equals at least the federal minimum wage	n/a	n/a	Itemized	n/a
<b>Connecticut</b>	The taxable earnings must equal or exceed the state minimum wage times the number of working hours	n/a	The activity must be producing some taxable income when assistance is requested, but does not need to meet minimum wage requirements for six months	Itemized	Gross income may be used to determine eligibility and amount of assistance if the information submitted is insufficient to determine the net profit
<b>Delaware</b>	n/a	n/a	n/a	40% standard	n/a
<b>District of Columbia</b>	n/a	n/a	n/a	Itemized	n/a
<b>Florida</b>	A parent does not have to earn minimum wage in order to be considered employed	n/a	If a business is new, current ledgers/books may be used in place of tax records	Itemized	n/a
<b>Georgia</b>	Adult must earn at least the federal minimum wage multiplied by 24 hours	n/a	n/a	Itemized	n/a

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Hawaii	Adult must generate income equivalent to 18 hours per week multiplied by 4.33 weeks multiplied by the state minimum wage	n/a	n/a	Itemized	n/a
Idaho	To calculate the activity hours, the gross income is divided by the federal minimum wage, and the qualifying hours are the lesser of the calculated or actual hours	n/a	n/a	50% standard, or itemized when actual costs exceed the standard deduction	n/a
Illinois	n/a	n/a	If a tax return is not available, a monthly statement of earnings and expenses must be submitted until an income tax return is submitted	Itemized	n/a
Indiana	n/a	n/a	To verify a service need of new employment, the client must submit a statement of profit loss for the previous calendar month with a start date less than eight weeks old, which may indicate zero revenue	Itemized	n/a
Iowa	n/a	n/a	n/a	Itemized	n/a
Kentucky	Hours of self-employment countable toward work requirement are calculated by dividing the monthly profit by the minimum wage	Must provide a written statement verifying inability to perform the enterprise with children present in the home	If the applicant has just started a new self-employment activity, the applicant's statement of gross income may be accepted as a last alternative only if not business or tax records are available. This statement shall not be accepted for operating expenses. The applicant must provide adequate business records to establish income after three months.	Itemized	n/a
Louisiana	n/a	n/a	If a self-employment business has been in operation for under a year, the following sources of documentary evidence may be used as verification of income: tax returns, accountant/bookkeeper's records for each month of operation, or personal business records for each full month of operation with corresponding proof of income and expenses.	Itemized	n/a

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Maine	Parents must show an income of at least the current state minimum wage per hour	n/a	Parents who are just beginning self-employment or whose endeavor is less than twelve months old may be granted eligibility for six months. If the parent has an estimate of what the monthly income and expenses will be, the estimate can be used for income, otherwise one dollar will be used. In order to continue eligibility after six months, the parent must provide a completed tax form as a profit and loss statement. After twelve months, the parent must provide proof that they are employed at or above the state minimum wage.	Itemized	n/a
Massachusetts	Parents must show income equivalent to state minimum wage	Home-based self-employment activities are not approved unless the type of work performed entails a clear and present danger to the child or the primary work performed consists of face-to-face meetings/appointments with clients, preventing direct supervision of children	If the applicant's self-employment business has been established for 3 or more months but has not completed a federal tax return, they must submit reported earnings for the previous three months and verification of the business. Tax filings must be submitted upon reassessment. If the applicant's self-employment business has been established for less than three months, they must submit reported earnings without the monthly self-employment worksheets and verification of the self-employment business.	Itemized	n/a
Michigan	n/a	n/a	When the self-employment is new and the client has not filed a tax return, use secondary source of DHS-431, Self-Employment Statement with receipts to support claimed income. If receipts are not available, use third source of DHS-431, Self-Employment Statement without receipts.	25% standard, or itemized when actual costs exceed the standard deduction and the client chooses to claim and verify them	S-Corporations and LLCs are not considered self-employment
Minnesota	The federal minimum wage is applied unless the person can supply information to show they are not subject to this standard. Number of hours authorized per week determined using the federal minimum wage, or the actual number of hours spent in the activity, whichever is less.	n/a	If existing verification is not enough to accurately predict self-employment income (for example, in the start-up phase of self-employment) a client statement may be used to verify self-employment income. The worker must request verification and a redetermination must be done within the following three months.	Itemized	n/a

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Missouri	Average weekly earnings must equal the federal minimum wage times 20 hours	n/a	If the business has been in operation for less than a year, obtain the individual's business records, which must show all income and expenses, as well as the dates received and incurred. To determine income, average the amount of self-employed income over the period of time the business has been in operation to arrive at a monthly amount.	Itemized	Corporations and S-Corporations are not considered self-employment
Montana	Net income from self-employment divided by the number of child care hours must equal the current federal minimum wage	n/a	If the self-employment is new and not reflected on a previous tax return, the applicant is required to submit business records from prior months showing income and expenses. Income will be prospected from these records until an income tax return is available. If self-employment is too new for business records, a statement of estimated income and expenses must be submitted with the application. Eligibility will be determined for no more than a three month period to allow actual income and expense receipts to be gathered.	35% standard, or itemized if the client chooses	n/a
Nebraska	n/a	n/a	n/a	Itemized	n/a
Nevada	n/a	Self-employed individuals who work in their home do not meet the purpose of care eligibility requirement	n/a	Itemized	n/a
New Hampshire	Authorized level of service determined by calculating the monthly net income, divided by 4.33, divided by the federal minimum wage	n/a	n/a	Unknown	n/a
New Mexico	If profit does not equal federal minimum wage times 30 hours per week within 24 months of the start of receiving assistance, the case will be reviewed by a supervisor and services may be discontinued	n/a	n/a	Itemized	n/a

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New York	The client must demonstrate that the self-employment produces income equal to or greater than the minimum wage, or has the potential for growth to produce such an income within a reasonable period of time	n/a	n/a	Itemized	n/a
North Carolina	n/a	n/a	n/a	20% standard, or itemized if the parent provides documentation that expenses are greater than the standard deduction	Other policies vary by county
North Dakota	n/a	n/a	If a self-employment enterprise has been in existence for less than a year, the applicant will need to provide monthly income and expense ledgers to anticipate self-employment income and unearned income.	25% standard, or itemized if additional expenses can be verified	n/a
Ohio	n/a	n/a	n/a	Itemized	n/a
Oklahoma	Client must make minimum wage	n/a	n/a	50% standard	n/a
Oregon	n/a	n/a	n/a	50% standard, or itemized if the client can verify that the actual cost of producing the income exceeds 50% of the total gross	Clients whose only employment is self-employment are not eligible for child care assistance. If a client has self-employment income in addition to other income, the self-employment income is counted, but no child care is granted for the hours they are engaged in the self-employment activity.
Pennsylvania	Client must show that the profit divided by the state minimum wage is equal to or greater than the required number of hours and is equal to or greater than the number of hours of care needed	n/a	n/a	Itemized	n/a

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Rhode Island	n/a	n/a	n/a	Itemized	n/a
South Carolina	Child care may be denied if the client has been in the same self-employment business for at least one year without any substantial changes and is not making at least minimum wage	Must submit a notarized declaratory statement denoting the nature of the home-based business, the hours worked per day, and the day-to-day business duties	If the applicant is newly self-employed and tax information is not available, the applicant may submit a copy of the ledger book, receipts, or statements from their clients to be considered for eligibility purposes. The applicant may be given three months of child care services to allow time to show a work history. Continued eligibility will be re-determined after this time period.	Itemized	n/a
South Dakota	Must receive weekly earnings equal to the federal minimum wage multiplied by 20 hours	n/a	If the self-employment is new and not reflected in the previous income tax return, the applicant shall be required to submit business ledgers from prior months showing profits and expenses. Income will be prospected from the ledgers until an income tax return reflecting the self-employment is available.	Itemized	Deductions are itemized, but 4% of the gross income is also deducted before determining total self-employment income
Tennessee	To determine how many hours the self-employed person is working, divide weekly income by the federal minimum wage	n/a	n/a	Itemized	Clients must demonstrate that they work at least 30 hours per week in the self-employment activity
Texas	n/a	n/a	n/a	Itemized	n/a
Utah	Client must make a rate of pay equal to or greater than the minimum wage multiplied by the number of hours the client is working	n/a	Self-employed parents must have been employed for at least three months. A minimum of three months of business records must be provided by the customer to establish a best estimate of income and need for child care.	Itemized	
Virginia	Client must earn at least minimum wage for actual hours worked. Must provide proof of earnings equivalent to minimum wage for actual hours worked within 90 days after approval.	n/a	If the client has been self-employed for less than a year, they must provide proof of earnings equivalent to minimum wage for actual hours worked within 90 days after approval.	Itemized	n/a
Washington	Gross monthly self-employment income is divided by the lower of the federal or state minimum wage to determine the average monthly hours of care needed	Only activities outside of the home are eligible for child care benefits	n/a	Itemized	n/a

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West Virginia	Must meet state minimum wage requirements, with the exception of those in their launch/grace period	Child care services for self-employed home-based business will only be approved if the type of work performed entails a clear and present danger to the child, or if the primary type of work performed consists of face to face meetings/appointments with clients which prevents direct supervision of children. The children must be age 6 or under, or up to age 13 with special needs.	Parents who are just beginning self-employment, or whose self-employment endeavor is less than 12 months old, may be granted child care for 3 months to establish their business and obtain the necessary licenses and registrations. Before the end of the three month launch period, parents must provide copies of their business registration, copies of any appropriate licenses, and proof that they are working at least 20 hours per week at the minimum wage. Parents who provide all necessary documentation and meet the minimum work hours, but fail to meet the required minimum wage will be granted a grace period of 3 months to establish clientele and income.	Itemized	n/a
Wisconsin	Authorizations only allowed to the extent that they support employment that produces monthly adjusted self-employment income equivalent to at least the state minimum wage	n/a	When two or more full months of actual self-employment income information is available, use all of the actual income available to establish a monthly net income amount. When at least one full month but less than two full months of actual self-employment income is available, calculate a monthly average income amount using the actual net income received in any partial month of operation, the one full month of operation, and an estimate of net income for the next month. When there is less than one full month of actual income information available, calculate a monthly average self-employment income using the actual self-employment income received in the partial month and estimated gross receipts and “allowable” expenses for the next two months.	Itemized	n/a
Wyoming	The hours of child care assistance needed are based on the net income divided by the federal minimum wage	n/a	n/a	Unknown	n/a