

Self-Employment Information Packet

Dear Self-Employed Parent:

The Department of Early Education and Care (EEC) provides financial assistance for early education and care to Massachusetts families who meet specific eligibility requirements. Those requirements include income criteria and a documented service need, or reason for needing care. Your eligibility for EEC financial assistance cannot be determined unless you provide sufficient information to verify both your income and service need.

To help you understand EEC's policies regarding self-employment income and the information you will need to provide to determine your eligibility, EEC has prepared this self-employment information packet, which includes a copy of the following documents:

- EEC Report of Self-Employment Earnings form;
 - EEC Verification of Employment form; and
 - IRS Form 4506-T, Request for Transcript of Tax Return.
- Self-employed parents, like all parents applying for EEC financial assistance, must document their service need, or reason for needing care. The attached EEC Report of Self-Employment Earnings form includes a section for you to provide information about your work schedule and the number of hours per week that you work. If your self-employment can be verified by another party (e.g., clients, customers, suppliers), you will also be required to complete and submit the attached EEC Verification of Employment form. The purpose of this form is to document your self-employment, the number of hours per week that you work, and the amount of income that you receive.

Please be advised that EEC will keep your personal information confidential and will share this information with outside persons or entities only to the extent necessary to determine and verify your eligibility for EEC financial assistance.

We hope the attached information is helpful and makes the process of applying for EEC financial assistance easier for you. If you have questions or need additional information, please contact the EEC Financial Assistance Unit at 617-988-6600.

Sincerely,

DEPARTMENT OF EARLY EDUCATION AND CARE

Report of Self-Employment Earnings Form

Section I: Family Information

1. Name of Parent/Guardian: _____
 2. Address: _____
 3. Telephone: _____
 4. Social Security Number: _____
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Section II: Information About Self-Employed Family Member (If different from above)

1. Name of Self-Employed Family Member: _____
 2. Address: _____
 3. Telephone: _____
 4. Social Security Number: _____
-

Section III: Information About Business

1. Name of Business: _____
2. Address of Business: _____
3. Business Phone: _____
4. Employer Identification Number (EIN)¹: _____
5. Nature of Business: _____
6. Corporate Status of Business (Please check one of the following):
 Sole Proprietorship Partnership Corporation S-Corporation
7. Number of Hours Worked Per Week: _____
(e.g., 30 hours)

If your work schedule varies, please list the minimum and maximum hours per week that you may work. For example, between twenty (20) and twenty-five (25) hours per week.

¹ Also known as a Federal Identification Number

8. Days and Times of the Week Worked: _____
(e.g., Monday, Wednesday, and Friday from 9:00 a.m.-3:00 p.m.)

If your work schedule varies, please list the days that you may work and hours each day that you may work.

9. Required Business Documentation Attached (please check and attach a copy of **ONE** of the following):

- Doing Business As (DBA) Certificate
- Articles of Incorporation on file with the Secretary of the Commonwealth
- Certificate of Registration issued by the Secretary of the Commonwealth
- Professional License
- Other documentation indicating establishment of business (*Please explain*):

Section IV: Monthly Self-Employment Income and Expenses

Please report your self-employment income and expenses for **each of the last three (3) months** using the Monthly Self-Employment Earnings Worksheets attached. Please note that although business expenses may be deducted from the income you receive from self-employment, some expenses may not be deducted. For the purposes of determining your eligibility for financial assistance, certain business expenses, such as depreciation and meals and entertainment, are not allowable.

Examples of allowable business expenses include:

- amounts paid for any items necessary for the business, such as materials and supplies, advertising costs, repairs, legal and professional services;
- amounts paid for employee salaries and taxes on those salaries as well as any employee benefit plans (i.e. health insurance or retirement plans for your employees);
- amounts paid for equipment, machinery, and other capital assets and durable goods (i.e., items used in the business that are expected to last a long time such as a delivery van, an office building, etc.);

- amounts paid for ownership or rental of commercial property (e.g., monthly mortgage or rent for office building, office space, workshop, or other place of business);
- amounts paid for business insurance (if your home is used for business purposes, you may deduct amounts paid only for commercial property insurance, but not for homeowner's or renter's insurance);
- if the home is used for business purposes, only the business portion of residential expenses may be deducted (e.g. separate business phone line and any extra utility costs that can be attributed to the business);
- if a personal car or truck is used for business purposes, only the business portion of vehicle expenses costs may be deducted; and
- mileage expenses between business sites, but not including the mileage from home to the first business site and from the last business site to home.

Examples of business expenses that are not allowable and should not be listed include:

- personal expenses, such as health insurance premiums, life insurance premiums, or retirement benefits;
- taxes that you pay on your net income, including Social Security, federal, and state taxes;
- monthly mortgage or rental payment for your home;
- depreciation; and
- business losses from prior months/years.

MONTHLY SELF-EMPLOYMENT EARNINGS WORKSHEET

Parent's/Guardian's Name: _____

Name of self-employed family member whose earnings are listed on this worksheet (*if different from above*): _____

Month and year: _____
(e.g., January 2007)

**A. Monthly Gross Receipts or Sales
(including all tips)**

\$ _____

Monthly Business Expenses

1. Cost of goods sold	\$	8. Interest paid on mortgage owed banks	\$
2. Advertising	\$	9. Other interest payment (specify)	\$
3. Automobile Expenses:	\$	10. Legal and Professional Services	\$
3a. Gas	\$	11. Office Expenses	\$
3b. Insurance	\$	12. Pension or Profit-Sharing Plan	\$
3c. Maintenance	\$	13. Rent for Leased Vehicles, Machinery, or Equipment	\$
3d. Registration	\$	14. Rent for Other Business Property (e.g. office space)	\$
4. Commissions and Fees	\$	16. Supplies	\$
5. Contract Labor	\$	17. Taxes and Licenses	\$
6. Employee Benefit Programs (e.g., health, accident, life insurance and dependent care assistance program)	\$	18. Utilities	\$
		19. Employee Wages and Salaries	\$
7. Insurance (e.g. commercial liability, fire insurance, etc.)	\$		

B. Total Monthly Business Expenses

(Add together lines 1 through 19) \$ _____

C. Net Monthly Business Income

(Subtract line B from line A) \$ _____

MONTHLY SELF-EMPLOYMENT EARNINGS WORKSHEET

Parent's/Guardian's Name: _____

Name of self-employed family member whose earnings are listed on this worksheet (if different from above): _____

Month and year: _____
(e.g., January 2007)

A. Monthly Gross Receipts or Sales (including all tips) \$ _____

Monthly Business Expenses

1. Cost of goods sold	\$	8. Interest paid on mortgage owed banks	\$
2. Advertising	\$	9. Other interest payment (specify)	\$
3. Automobile Expenses:	\$	10. Legal and Professional Services	\$
3a. Gas	\$	11. Office Expenses	\$
3b. Insurance	\$	12. Pension or Profit-Sharing Plan	\$
3c. Maintenance	\$	13. Rent for Leased Vehicles, Machinery, or Equipment	\$
3d. Registration	\$	14. Rent for Other Business Property (e.g. office space)	\$
4. Commissions and Fees	\$	16. Supplies	\$
5. Contract Labor	\$	17. Taxes and Licenses	\$
6. Employee Benefit Programs (e.g., health, accident, life insurance and dependent care assistance program)	\$	18. Utilities	\$
		19. Employee Wages and Salaries	\$
7. Insurance (e.g. commercial liability, fire insurance, etc.)	\$		

B. Total Monthly Business Expenses (Add together lines 1 through 19) \$ _____

C. Net Monthly Business Income (Subtract line B from line A) \$ _____

MONTHLY SELF-EMPLOYMENT EARNINGS WORKSHEET

Name of self-employed family member whose earnings are listed on this worksheet (*if different from above*): _____

Month and year: _____
(e.g., January 2007)

**A. Monthly Gross Receipts or Sales
(including all tips)**

\$ _____

Monthly Business Expenses

1. Cost of goods sold	\$	8. Interest paid on mortgage owed banks	\$
2. Advertising	\$	9. Other interest payment (specify)	\$
3. Automobile Expenses:	\$	10. Legal and Professional Services	\$
3a. Gas	\$	11. Office Expenses	\$
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3c. Maintenance	\$	13. Rent for Leased Vehicles, Machinery, or Equipment	\$
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4. Commissions and Fees	\$	16. Supplies	\$
5. Contract Labor	\$	17. Taxes and Licenses	\$
6. Employee Benefit Programs (e.g., health, accident, life insurance and dependent care assistance program)	\$	18. Utilities	\$
		19. Employee Wages and Salaries	\$
7. Insurance (e.g. commercial liability, fire insurance, etc.)	\$		

B. Total Monthly Business Expenses

(Add together lines 1 through 19) \$ _____

C. Net Monthly Business Income

(Subtract line B from line A) \$ _____

Section V: Certification

I certify that I have receipts or other verification for all of the income and expenses reported on this form. I agree to provide copies of these receipts or other documentation to verify any of the information reported on this form to EEC, a Child Care Resource and Referral Agency (CCR&R), or contracted child care provider upon request.

I certify that the information provided on this form is, to the best of my knowledge and belief, true and accurate. I understand that providing false or misleading information in connection with my application for EEC financial assistance, receiving EEC financial assistance as a result of any false or misleading information, and/or failing to **report within fourteen (14) days any change** in my work or school schedule, my family size or family income or any other circumstances that might change my eligibility or fee level may:

- result in the termination of my EEC financial assistance;
- make me ineligible to apply for and/or receive EEC financial assistance for up to three (3) years;
- result in me having to repay the costs of child care; and/or
- make me subject to a civil fine and possible criminal prosecution.

Parent's/Guardian's Signature: _____

Name (*printed*): _____

Date: _____

Signature of Self-Employed Family Member

(*if different from above*): _____

Name (*printed*): _____

Date: _____

Request for Transcript of Tax Return

OMB No. 1545-1872

▶ Request may be rejected if the form is incomplete or illegible.

Tip. Use Form 4506-T to order a transcript or other return information free of charge. See the product list below. You can quickly request transcripts by using our automated self-help service tools. Please visit us at IRS.gov and click on "Order a Return or Account Transcript" or call 1-800-908-9946. If you need a copy of your return, use **Form 4506, Request for Copy of Tax Return**. There is a fee to get a copy of your return.

1a Name shown on tax return. If a joint return, enter the name shown first.	1b First social security number on tax return, individual taxpayer identification number, or employer identification number (see instructions)
2a If a joint return, enter spouse's name shown on tax return.	2b Second social security number or individual taxpayer identification number if joint tax return
3 Current name, address (including apt., room, or suite no.), city, state, and ZIP code (see instructions)	
4 Previous address shown on the last return filed if different from line 3 (see instructions)	
5 If the transcript or tax information is to be mailed to a third party (such as a mortgage company), enter the third party's name, address, and telephone number.	

Caution. If the tax transcript is being mailed to a third party, ensure that you have filled in lines 6 through 9 before signing. Sign and date the form once you have filled in these lines. Completing these steps helps to protect your privacy. Once the IRS discloses your tax transcript to the third party listed on line 5, the IRS has no control over what the third party does with the information. If you would like to limit the third party's authority to disclose your transcript information, you can specify this limitation in your written agreement with the third party.

- 6 Transcript requested.** Enter the tax form number here (1040, 1065, 1120, etc.) and check the appropriate box below. Enter only one tax form number per request. ▶ _____
- a **Return Transcript**, which includes most of the line items of a tax return as filed with the IRS. A tax return transcript does not reflect changes made to the account after the return is processed. Transcripts are only available for the following returns: Form 1040 series, Form 1065, Form 1120, Form 1120A, Form 1120H, Form 1120L, and Form 1120S. Return transcripts are available for the current year and returns processed during the prior 3 processing years. Most requests will be processed within 10 business days
 - b **Account Transcript**, which contains information on the financial status of the account, such as payments made on the account, penalty assessments, and adjustments made by you or the IRS after the return was filed. Return information is limited to items such as tax liability and estimated tax payments. Account transcripts are available for most returns. Most requests will be processed within 10 business days
 - c **Record of Account**, which provides the most detailed information as it is a combination of the Return Transcript and the Account Transcript. Available for current year and 3 prior tax years. Most requests will be processed within 10 business days
- 7 Verification of Nonfiling**, which is proof from the IRS that you **did not** file a return for the year. Current year requests are only available after June 15th. There are no availability restrictions on prior year requests. Most requests will be processed within 10 business days
- 8 Form W-2, Form 1099 series, Form 1098 series, or Form 5498 series transcript.** The IRS can provide a transcript that includes data from these information returns. State or local information is not included with the Form W-2 information. The IRS may be able to provide this transcript information for up to 10 years. Information for the current year is generally not available until the year after it is filed with the IRS. For example, W-2 information for 2011, filed in 2012, will likely not be available from the IRS until 2013. If you need W-2 information for retirement purposes, you should contact the Social Security Administration at 1-800-772-1213. Most requests will be processed within 10 business days

Caution. If you need a copy of Form W-2 or Form 1099, you should first contact the payer. To get a copy of the Form W-2 or Form 1099 filed with your return, you must use Form 4506 and request a copy of your return, which includes all attachments.

- 9 Year or period requested.** Enter the ending date of the year or period, using the mm/dd/yyyy format. If you are requesting more than four years or periods, you must attach another Form 4506-T. For requests relating to quarterly tax returns, such as Form 941, you must enter each quarter or tax period separately. _____
- Check this box if you have notified the IRS or the IRS has notified you that one of the years for which you are requesting a transcript involved **identity theft** on your federal tax return

Caution. Do not sign this form unless all applicable lines have been completed.

Signature of taxpayer(s). I declare that I am either the taxpayer whose name is shown on line 1a or 2a, or a person authorized to obtain the tax information requested. If the request applies to a joint return, at least one spouse must sign. If signed by a corporate officer, partner, guardian, tax matters partner, executor, receiver, administrator, trustee, or party other than the taxpayer, I certify that I have the authority to execute Form 4506-T on behalf of the taxpayer. **Note.** For transcripts being sent to a third party, this form must be received within 120 days of the signature date.

	Phone number of taxpayer on line 1a or 2a
Signature (see instructions)	Date
Title (if line 1a above is a corporation, partnership, estate, or trust)	
Spouse's signature	Date

Section references are to the Internal Revenue Code unless otherwise noted.

Future Developments

For the latest information about Form 4506-T and its instructions, go to www.irs.gov/form4506t. Information about any recent developments affecting Form 4506-T (such as legislation enacted after we released it) will be posted on that page.

General Instructions

CAUTION. Do not sign this form unless all applicable lines have been completed.

Purpose of form. Use Form 4506-T to request tax return information. You can also designate (on line 5) a third party to receive the information. Taxpayers using a tax year beginning in one calendar year and ending in the following year (fiscal tax year) must file Form 4506-T to request a return transcript.

Note. If you are unsure of which type of transcript you need, request the Record of Account, as it provides the most detailed information.

Tip. Use Form 4506, Request for Copy of Tax Return, to request copies of tax returns.

Automated transcript request. You can quickly request transcripts by using our automated self-help service tools. Please visit us at IRS.gov and click on "Order a Return or Account Transcript" or call 1-800-908-9946.

Where to file. Mail or fax Form 4506-T to the address below for the state you lived in, or the state your business was in, when that return was filed. There are two address charts: one for individual transcripts (Form 1040 series and Form W-2) and one for all other transcripts.

If you are requesting more than one transcript or other product and the chart below shows two different addresses, send your request to the address based on the address of your most recent return.

Chart for individual transcripts (Form 1040 series and Form W-2 and Form 1099)

If you filed an individual return and lived in:	Mail or fax to:
Alabama, Kentucky, Louisiana, Mississippi, Tennessee, Texas, a foreign country, American Samoa, Puerto Rico, Guam, the Commonwealth of the Northern Mariana Islands, the U.S. Virgin Islands, or A.P.O. or F.P.O. address	Internal Revenue Service RAIVS Team Stop 6716 AUSC Austin, TX 73301 512-460-2272
Alaska, Arizona, Arkansas, California, Colorado, Hawaii, Idaho, Illinois, Indiana, Iowa, Kansas, Michigan, Minnesota, Montana, Nebraska, Nevada, New Mexico, North Dakota, Oklahoma, Oregon, South Dakota, Utah, Washington, Wisconsin, Wyoming	Internal Revenue Service RAIVS Team Stop 37106 Fresno, CA 93888 559-456-5876
Connecticut, Delaware, District of Columbia, Florida, Georgia, Maine, Maryland, Massachusetts, Missouri, New Hampshire, New Jersey, New York, North Carolina, Ohio, Pennsylvania, Rhode Island, South Carolina, Vermont, Virginia, West Virginia	Internal Revenue Service RAIVS Team Stop 6705 P-6 Kansas City, MO 64999 816-292-6102

Chart for all other transcripts

If you lived in or your business was in:	Mail or fax to:
Alabama, Alaska, Arizona, Arkansas, California, Colorado, Florida, Hawaii, Idaho, Iowa, Kansas, Louisiana, Minnesota, Mississippi, Missouri, Montana, Nebraska, Nevada, New Mexico, North Dakota, Oklahoma, Oregon, South Dakota, Texas, Utah, Washington, Wyoming, a foreign country, or A.P.O. or F.P.O. address	Internal Revenue Service RAIVS Team P.O. Box 9941 Mail Stop 6734 Ogden, UT 84409 801-620-6922
Connecticut, Delaware, District of Columbia, Georgia, Illinois, Indiana, Kentucky, Maine, Maryland, Massachusetts, Michigan, New Hampshire, New Jersey, New York, North Carolina, Ohio, Pennsylvania, Rhode Island, South Carolina, Tennessee, Vermont, Virginia, West Virginia, Wisconsin	Internal Revenue Service RAIVS Team P.O. Box 145500 Stop 2800 F Cincinnati, OH 45250 859-669-3592

Line 1b. Enter your employer identification number (EIN) if your request relates to a business return. Otherwise, enter the first social security number (SSN) or your individual taxpayer identification number (ITIN) shown on the return. For example, if you are requesting Form 1040 that includes Schedule C (Form 1040), enter your SSN.

Line 3. Enter your current address. If you use a P. O. box, include it on this line.

Line 4. Enter the address shown on the last return filed if different from the address entered on line 3.

Note. If the address on lines 3 and 4 are different and you have not changed your address with the IRS, file Form 8822, Change of Address. For a business address, file Form 8822-B, Change of Address or Responsible Party—Business.

Line 6. Enter only one tax form number per request.

Signature and date. Form 4506-T must be signed and dated by the taxpayer listed on line 1a or 2a. If you completed line 5 requesting the information be sent to a third party, the IRS must receive Form 4506-T within 120 days of the date signed by the taxpayer or it will be rejected. Ensure that all applicable lines are completed before signing.

Individuals. Transcripts of jointly filed tax returns may be furnished to either spouse. Only one signature is required. Sign Form 4506-T exactly as your name appeared on the original return. If you changed your name, also sign your current name.

Corporations. Generally, Form 4506-T can be signed by: (1) an officer having legal authority to bind the corporation, (2) any person designated by the board of directors or other governing body, or (3) any officer or employee on written request by any principal officer and attested to by the secretary or other officer.

Partnerships. Generally, Form 4506-T can be signed by any person who was a member of the partnership during any part of the tax period requested on line 9.

All others. See section 6103(e) if the taxpayer has died, is insolvent, is a dissolved corporation, or if a trustee, guardian, executor, receiver, or administrator is acting for the taxpayer.

Documentation. For entities other than individuals, you must attach the authorization document. For example, this could be the letter from the principal officer authorizing an employee of the corporation or the letters testamentary authorizing an individual to act for an estate.

Signature by a representative. A representative can sign Form 4506-T for a taxpayer only if the taxpayer has specifically delegated this authority to the representative on Form 2848, line 5. The representative must attach Form 2848 showing the delegation to Form 4506-T.

Privacy Act and Paperwork Reduction Act Notice. We ask for the information on this form to establish your right to gain access to the requested tax information under the Internal Revenue Code. We need this information to properly identify the tax information and respond to your request. You are not required to request any transcript; if you do request a transcript, sections 6103 and 6109 and their regulations require you to provide this information, including your SSN or EIN. If you do not provide this information, we may not be able to process your request. Providing false or fraudulent information may subject you to penalties.

Routine uses of this information include giving it to the Department of Justice for civil and criminal litigation, and cities, states, the District of Columbia, and U.S. commonwealths and possessions for use in administering their tax laws. We may also disclose this information to other countries under a tax treaty, to federal and state agencies to enforce federal nontax criminal laws, or to federal law enforcement and intelligence agencies to combat terrorism.

You are not required to provide the information requested on a form that is subject to the Paperwork Reduction Act unless the form displays a valid OMB control number. Books or records relating to a form or its instructions must be retained as long as their contents may become material in the administration of any Internal Revenue law. Generally, tax returns and return information are confidential, as required by section 6103.

The time needed to complete and file Form 4506-T will vary depending on individual circumstances. The estimated average time is: **Learning about the law or the form, 10 min.;** **Preparing the form, 12 min.;** and **Copying, assembling, and sending the form to the IRS, 20 min.**

If you have comments concerning the accuracy of these time estimates or suggestions for making Form 4506-T simpler, we would be happy to hear from you. You can write to:

Internal Revenue Service
Tax Forms and Publications Division
1111 Constitution Ave. NW, IR-6526
Washington, DC 20224

Do not send the form to this address. Instead, see *Where to file* on this page.

