



Preschool Open Doors Application

Self-Employed Parents/Guardians



Self-Employment Definition

- You cannot be terminated from your job by another person
- You report income to the IRS and State as self-employed
- You meet the social security requirements as a self-employed person and pays employer's and employee's share of social security taxes
- You are not considered an employee of an agency or organization
- You must generate income equivalent to twenty hours per week multiplied by 4.333 weeks multiplied by the State minimum wage at the time of eligibility determination and determination of continued eligibility.

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

Minimum monthly self-employment gross income

20 hours per week x 4.3333 weeks x the state minimum wage = Minimum Net Income

2026 to 2027 Threshold: 20 hours x 4.3333 weeks x \$16.00 = \$1386.56

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

If you do not meet the definition of self-employment or do not meet the self-employment threshold, your income will be considered without any deductions. Please submit your gross income received for the previous month and a worker will contact you about other verification documents.

If you do meet the definition of self-employment, meet the gross self-employed income threshold, and are a sole proprietor, partner, or member of an LLC, please see what verifications are required for your business type. It is recommended that you prepare your verification documents and submit them with your application to avoid delays in processing.

Visit the State of Hawaii Department of Taxation for more information on obtaining a General Excise Tax License <https://tax.hawaii.gov/geninfo/get/>

For questions about Preschool Open Doors or self-employment verifications, please contact PATCH Preschool Open Doors by phone or email:



PATCH Preschool Open Doors

Phone: 808-791-2130 Toll Free: 1-800-746-5620

Email: PODAdmin@patch-hi.org



Preschool Open Doors Application Checklist



Self-Employed Business Structure & Verification

Sole Proprietor / Independent Contractor	Partnership	Limited Liability Company
<p>As a Sole Proprietor, an individual owns the business as a single person and is registered with the State of Hawaii as such.</p> <p>Verifications:</p> <ul style="list-style-type: none"> • General Excise Tax License • Trade Name Registration (if applicable) • Individual Tax Returns showing business activity with applicable schedules (ex. using part of your home for your business. IRS Form 8829, Schedule C or F) • G45 State of Hawaii General Excise and Use Tax Return (most recent) • Previous month's Income & Expenses with explanation and verification documents 	<p>As a Partner in a Partnership, an individual owns a business with other business partners. Since there are other people involved, we would need to prorate the applicant's share of the business income and expenses.</p> <p>Verifications:</p> <ul style="list-style-type: none"> • General Excise Tax License • Trade Name Registration (if applicable) • Partnership Agreement showing all the business partners with ownership percentages. • Individual Tax Returns showing business activity with applicable schedules (IRS Schedule C, E, F, SE, and/or K-1) • G45 State of Hawaii General Excise and Use Tax Return (most recent) • Previous month's Income & Expenses with explanation and verification documents 	<p>As a member in a Limited Liability Company (LLC), an individual is in business with other business members. Since there are other people involved, we would need to prorate the applicant's share of the business income and expenses.</p> <p>Verifications:</p> <ul style="list-style-type: none"> • General Excise Tax License • Trade Name Registration (if applicable) • Articles of Organization showing all the business members with ownership percentages. • Individual Tax Returns showing business activity with applicable schedules (IRS Schedule C, E, F, SE, and/or K-1) • G45 State of Hawaii General Excise and Use Tax Return (most recent) • Previous month's Income & Expenses with explanation and verification documents <p>*If the applicant's LLC is filed with the IRS as a corporation (S or C), this is not self-employment. Please submit verification of tax filing (Form 1120, 1120-S), gross pay stubs, and/or verification of income or draws from the company. No deductions allowed.</p>

Business structures NOT considered self-employment:

Corporations, LLCs designated as a corporation, S Corporation (Individuals, partnerships, corporations, or LLCs can designate as an S-Corporation). Please submit gross pay stubs and/or verification of income or draws from the company. No deductions allowed.

Verifications

DAVID Y. IGE
GOVERNOR

ISAAC W. CHOY
DIRECTOR OF TAXATION

JOSH GREEN M.D.
LT. GOVERNOR

DEPUTY DIRECTOR

STATE OF HAWAII
DEPARTMENT OF TAXATION

Date: _____
Letter ID: _____
Hawaii Tax ID: _____

Re: License Letter

Dear Taxpayer:

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

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

Sincerely,

Department of Taxation
Taxpayer Services Branch
PO Box 259
Honolulu, HI 96809-0259
Phone: (808) 587-4242
Neighbor Islands: (808) 587-4242
Toll Free: 1 (800) 22-3-3333

ISSUES START 01/01/21

STATE OF HAWAII
DEPARTMENT OF TAXATION
LICENSE ISSUED FOR THE PRIVILEGE OF ENGAGING IN BUSINESS AND OTHER ACTIVITIES UPON THE CONDITION THAT THE LICENSEE SHALL PAY THE TAXES ACCRUING TO THE STATE OF HAWAII UNDER THE PROVISIONS OF CHAPTER 215, HRS, AS AMENDED. LICENSEE'S ACTIVITIES ARE LISTED ON THE APPLICATION ON FILE WITH THE DIRECTOR OF TAXATION.

GENERAL EXCISE TAX LICENSE

HAWAII TAX ID NUMBER: GE-1
Missy Aloha
dba The Flower Shop

For Informational Purposes ONLY

Confirmation #: _____ Status: Submitted

STATE OF HAWAII — DEPARTMENT OF TAXATION
G-45 Tax Return

Name: Missy Aloha Tax ID Return Type: GE-01
Filing Frequency: Monthly Amended: G-45
Web Name: _____ Submitted: _____

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

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

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

Retailing	0.00	0.00	0.00
Services Including Professional	0.00	0.00	0.00
Contracting	0.00	0.00	0.00
Theater, Amusement and Broadband	0.00	0.00	0.00
Commissions	0.00	0.00	0.00
Transient Accommodations	0.00	0.00	0.00
Other Rentals	0.00	0.00	0.00
Interest and All Other	0.00	0.00	0.00
Landed Value of Imported Goods (Part of Part II, Column C (Taxable Income))	0.00	0.00	0.00

Part III - Insurance Commissions @ 15%

Insurance Commissions	0.00	0.00	0.00
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Part IV - County Surcharge Tax

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

Part V - Schedule Of Assignment Of Taxes By District

Column (A)	Column (B)	Column (C)	Column (D)
Part I Total Tax	0.00 X	.005 =	0.00
Part II Total Tax	.00 X	.04 =	0.00
Part III Total Tax	0.00 X	.0015 =	0.00
Part IV Total Tax			0.00
Total Taxes Due			0.00

Amounts Assessed During the Period: Penalty 0.00, Interest 2.03

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

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

For Informational Purposes ONLY

General Excise
Tax License

State
Department of
Taxation G-45
Tax Return

Receipt of
payment is
required for
deduction to be
allowed

BANK CHECK

Supplier: _____ \$500.00

Five hundred dollars & no/00

Supplies - COGS

For Informational Purposes ONLY

Cash RECEIPT

For Informational Purposes ONLY

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

Hawaii's Favorite Bank

Customer Service Information
www.hawaiifavoritebank.com
1-800-223-3333
Email: info@hawaiifavoritebank.com
P.O. Box 1000
Kapolei, HI 96707

The Flower Shop
123 Anywhere Street
Honolulu, HI 96813

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

Account Summary

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

Checks & other credits:

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

Deposits and other debits:

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

For Informational Purposes ONLY

SALES RECEIPT

Client: Daphne Suga
Date Issued: _____
Invoice No: 12345
Invoice Date: _____

The Flower Shop
123 Anywhere St
Honolulu
96813

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

PAID IN FULL

For Informational Purposes ONLY

Thank You

- Business Income
- Bank*/Merchant statements showing income paid by check or credit/debit cards
 - cash receipts/copy of check payments
 - sales receipts
 - Uber/Lyft ride statements/tickets
 - other income documents
- *If a deposit listed on your bank statement is not income, please provide an explanation of what it is, or it will be counted as income. Example: Deposit is a loan, transfer of funds from a personal account, etc.

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

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

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

Sample of Monthly Income and Expenses

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

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

Income received in MAY

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

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

(*) GENERAL EXCISE LICENSE FEE \$ _____
 (*) GENERAL EXCISE TAX \$ **54**
 (4.5% of gross income)

(*) OTHER (LIST BUSINESS EXPENSES):

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

Expenses paid out in May

LESS TOTAL EXPENSES	\$ 871.99
NET EARNED INCOME	\$ 1028.01

FOR AGENCY USE ONLY
(HOW VERIFIED)

Hawaii's Favorite Bank

Customer Service Information
www.hawaiifavoritebank.com
1-800-551-2214
Email: info@hawaiifavoritebank.com
P.O. Box 1000
Kapolei, HI 90707

The Flower Shop
123 Anywhere St
Honolulu, HI 96813

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

Account Summary

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

Checks & other credits:

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

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

For Informational Purposes

Detailed & itemized receipts are required.

Cash RECEIPT
5/16/2023

USPS - Honolulu

Postage - First Class
Package \$7.99

Paid - Debit
xxxxx.xxxxx.xxxxx.xxx

Cash RECEIPT
5/18/2023

Walmart

Shipping Box \$9.59
Tax \$0.41

Total \$10.00

Paid - Debit
xxxxx.xxxxx.xxxxx.xxx

All transactions are for the month of May

BANK CHECK

Date: 4/30/2023 Check #1001

Hawaii Lei Company \$500.00

Five hundred dollars & no/00

100 orchid leis

BANK CHECK

Date: 5/29/2023 Check #1002

Floral Storage Center \$300.00

Five hundred dollars & no/00

Rent Floral Cooler #101

SALES RECEIPT

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

The Flower Shop
123 Anywhere St
Honolulu
96813

Description	Rate	Qty	Subtotal
Orchid leis	10	100	\$1000.00
Ribbons	25	2	\$50.00
Set up decorations for graduation (2 staff)	450	1	\$450.00
Cash payment 5/1/2023			Total Amount \$1500.00
			Amount Due \$1500.00

PAID IN FULL

For Informational Purposes ONLY

Income is counted when it is received.

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

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

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

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