# CALFRESH (CF) PROGRAM
# REQUEST FOR POLICY/REGULATION INTERPRETATION

**INSTRUCTIONS:** Complete items 1 - 10 on the form. Use a separate form for each policy interpretation request. Retain a copy of the CF 24 for your records.

- Questions from counties, including county Quality Control, must be submitted by the county CalFresh Coordinator and may be submitted directly to the CalFresh Policy analyst assigned responsibility for the county, with a copy directed to the appropriate CalFresh Policy unit manager.
- Questions from Administrative Law Judges may be submitted directly to the CalFresh Policy analyst assigned responsibility to the county where the hearing took place, with a copy of the form directed to the appropriate CalFresh Bureau unit manager.

1. RESPONSE NEEDED DUE TO:
   - ☑ Policy/Regulation Interpretation
   - ☐ QC
   - ☐ Fair Hearing
   - ☐ Other:

5. DATE OF REQUEST: 4/27/15

NEED RESPONSE BY: ASAP

6. COUNTY/ORGANIZATION: Humboldt County DHHS - SS

7. SUBJECT: Multiple Self-Employment enterprises

2. REQUESTOR NAME:

3. PHONE NO.:

4. REGULATION CITE(S): 63-503.413; 63-503.416(2)

8. REFERENCES: *(Include ACL/ACIN, court cases, etc. in references)*
**NOTE: All requests must have a regulation cite(s) and/or a reference(s).**

9. QUESTION: (INCLUDE SCENARIO IF NEEDED FOR CLARITY):

Customer has two self-employment enterprises, one is a housecleaning service and the other is selling herbal supplements. Customer wants to use the standard 40% deduction for the housecleaning and actual expenses for the herbal supplements. Can a customer choose separate deduction types if they have more than one self-employment income source?

10. REQUESTOR'S PROPOSED ANSWER:

No, unless these are separate enterprises operated by different people the individual has to choose one deduction type or the other. Regulations at 63-503.413 says that "the individual shall choose either the actual costs... or a standard deduction..." with no mention of any exceptions. It also states that once chosen, the method of deduction can't be changed until RE or in six months, whichever comes first. Furthermore the sample self-employment computation when there are two different sources of self-employment income at 63-503.416(2) uses only one deduction type (actual) although that's not exactly definitive since in both cases, actuals are more than the standard deduction.

11. STATE POLICY RESPONSE *(CFPB USE ONLY)*:

After consulting with FNS and per 63-503.413 and CFR 273.11(b)(3)(v), CDSS concurs with the proposed response. Only one methodology should be used to calculate the client's self-employment income for both enterprises.

**FOR CDSS USE**

DATE RECEIVED:

DATE RESPONDED TO COUNTY/ALJ: A.B. 5/29/2015