**Section 113.131 Earned Income From Self-Employment**

a) Income realized from self-employment shall be considered earned income.

b) Accurate and complete records shall be kept on all monies received and spent through self-employment. If the individual fails or refuses to maintain complete business records, the assistance unit shall be ineligible.

c) Business expenses shall be verified. The individual shall have full responsibility for proof of any business expense. No deduction shall be allowed for depreciation, obsolescence and/or similar losses in the operation of the business. Gross income from the business shall be turned back into the business only to replace stock actually sold.

d) The net income shall be the gross remaining after the replacement of stock and business expenses have been considered, and the $75 appropriate employment expenses and child care expenses, as specified in Section 113.125, have been deducted. The earned income exemption, if applicable, shall be computed on the net income.

(Source: Added (by codification with no substantive change) at 7 Ill. Reg. 5202)