

Process Manual

Entering LLC/S-Corp Income Process Manual

Overview

This document provides a step-by-step process for how to enter an LLC or S-Corp Income into CBMS.

When a self-employed individual declares that their business is an LLC or an S-Corp, the following data entry will be used by CBMS to determine the accurate countable income for the individual.

Please note: For MA-Only cases, you will follow the Self-Employment process.

Process

Data entry for LLC, S-Corp income will be entered in the Self-Employment page

- 1) Log into CBMS
- 2) Navigate to the case by entering the case number in the **Global Search** bar on the Home Page
- 3) Click on the case number in the results table to access the **Members** page
- 4) From the Members page, hover over the **Actions** button
- 5) Select **Begin Interactive Interview** to initiate the II Queue
- 6) Navigate to the **Income** Tab
- 7) Select the **Self-Employment** Sub-Tab
- 8) Select the appropriate individual from the **Name** drop-down list
- 9) Click the + to add a record in the first section
- 10) Enter the **Effective Begin Date**
 - a) Refer to **Online Help** for the appropriate dates to use
- 11) Select 'Yes' radio button for **Self-Employed**
- 12) Enter the **Employment Begin Date**
- 13) Enter the **Employer Name** (the name of the business)
- 14) Select the appropriate **Employment Type** from the drop-down list
- 15) Enter the **Date Reported**
- 16) Enter the **Date Verified**
- 17) Click **Save**

Self Employment Details

- 18) Click the + to add a new record
- 19) Select **Employer** from the drop-down list (the name of the business)
- 20) Enter the **Effective Begin Date**
 - a) Refer to **Online Help** for the appropriate dates to use
- 21) Select the appropriate **Type** from the drop-down list
- 22) Select the appropriate **Frequency** from the drop-down list
- 23) Select the appropriate radio button for **Sole Proprietor**
 - a) Selecting 'No' will enable the following fields:
 - i) Enter the **Number of Owners**
 - ii) Enter the **% Owned**, if known



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- 24) Select 'Actual' for the **Business Expense Deduction Type**
 - a) Note: No HLPGs use 'Standard Expense Deductions'
- 25) Select 'No' for the **Home Based Business**
- 26) Select the appropriate radio button for **S-Corp LLC**
 - a) **NOTE: This field is informational only for MA programs, but if marked 'Yes' for CDHS programs (SNAP, CW, AF), additional data entry is required below**
- 27) Select the appropriate radio button for '**Client uses income minus expenses as Draw?**'
 - a) If '**NO**' is selected, or the radio button is left blank, the next field becomes mandatory (unless the case is MA only). Additionally you will follow **Step A** below ([S-Corp/LLC Draw](#)) for CDHS Programs
 - b) If '**YES**' is selected, follow **Step B** below (Paycheck Summary and Income Expenses)
- 28) Enter the appropriate **Draw Frequency** (if the client is receiving a salary/draw)
- 29) Select the appropriate **Verification** from the drop-down list
- 30) Select the appropriate **Source** from the drop-down list
- 31) Enter the **Date Reported**
- 32) Enter the **Date Verified**
- 33) Click **Save**

STEP A: S-Corp/LLC Draw Related List

This Related list is used for CDHS programs (SNAP, CW, AF) when the owner of the LLC/S-Corp receives a 'Draw' or 'Salary' from the business. (see step 27 in the *Self-Employment Details* section)

- 1) Click the + to add a record
- 2) Enter the **Date Received**.
 - a) *This is the date the income was received*
- 3) Enter the **Draw Amount**
 - a) *This is the amount the individual is receiving from the LLC/S-Corp*
- 4) Select the appropriate **Paycheck Type** from the dropdown list
- 5) Select the appropriate **Verification** from the drop-down list
- 6) Select the appropriate **Source** from the drop-down list
- 7) Enter the **Date Reported**
- 8) Enter the **Date Verified**
- 9) Click **Save**
- 10) If Medical Assistance is on the case, continue to **Step B**.

NOTE:

- For SNAP/Cash programs, CBMS will determine the countable income for an LLC/SCorp using the amount entered as the **Draw Amount**, and will not use information entered in Paycheck Summary or Income Expenses related lists, even when entered for Medical Assistance

STEP B: Paycheck Summary and Income Expenses Related Lists

For MA programs, this process is the same as the Self-Employment data entry. For CDHS programs including combo cases with MA, this process is used when the owner of the LLC/S-Corp declares



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that they do not pay themselves a salary/draw, rather they use whatever money is left over after business income minus business expenses. (see step 27 in the Self-Employment Details section)

- 1) Open the **Paycheck Summary Related List**
- 2) Click + to add a record
- 3) Enter the **Date Received**
 - a) *This is the date the business income was received*
- 4) Enter the appropriate amount in the **Number of Hours Worked** field
 - a) **NOTE: This field may be mandatory for SNAP**
- 5) Enter the **Gross Amount**
 - a) *Always use the total business income even if there are multiple owners- CBMS will calculate the percentage accordingly*
- 6) Select **Paycheck Type** from the drop-down list
- 7) Select the appropriate **Verification** from the drop-down list
- 8) Select the appropriate **Source** from the drop-down list
- 9) Enter the **Date Reported**
- 10) Enter the **Date Verified**
- 11) Click **Save**
- 12) Open the **Income Expenses Related List**
- 13) Click + to add a record
- 14) Enter the appropriate **Effective Begin Date**
- 15) Select the appropriate **Type** from the drop-down list (*based on the business expense*)
- 16) Enter the **Amount** (*of the business expense*)
 - a) *Always use the full business expense amount even if there are multiple owners- CBMS will calculate the percentage accordingly*
 - b) *Some expenses may be calculated based on the percentage used for business vs personal use- enter the amount calculated for the business for these expenses*
- 17) Enter the appropriate **Frequency** from the drop-down list
- 18) Select the appropriate **Verification** from the drop-down list
- 19) Select the appropriate **Source** from the drop-down list
- 20) Enter the **Date Reported**
- 21) Enter the **Date Verified**
- 22) Click **Save**

Repeat for each separate business expense

NOTE:

- **For MA programs**, CBMS will determine the countable income using Self-Employment logic: total business income minus ALLOWABLE business expenses entered
- **For SNAP/Cash programs**, CBMS will determine the countable income for an LLC/SCorp using the total business income minus ALL business expenses when the client “uses income minus expenses as draw” (see step 27 in the Self-Employment Details section)

Do you have any questions or suggestions regarding this process? Please contact the SDD via email SOC_StaffDevelopment@state.co.us

