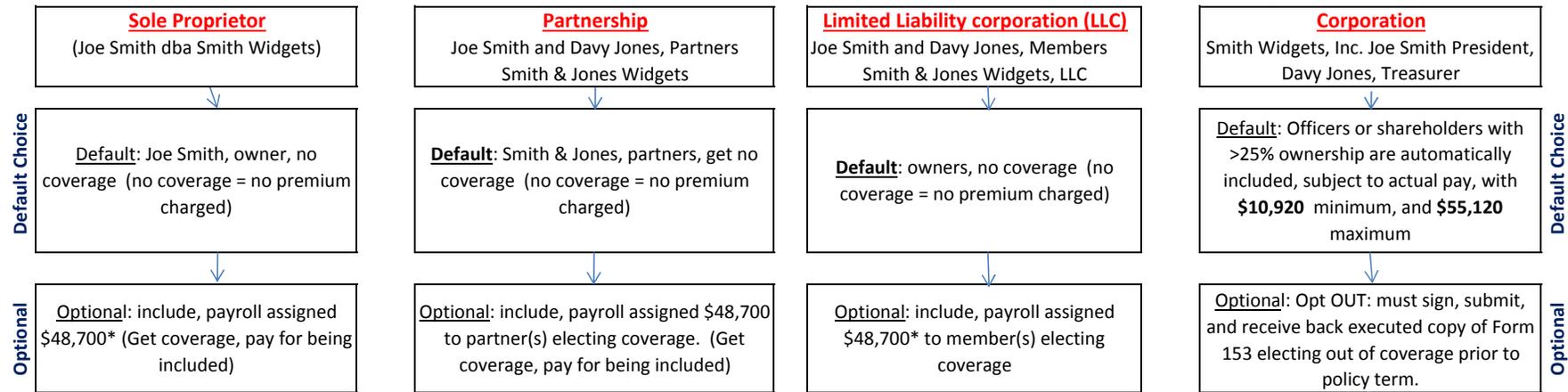


Workers Compensation for business owners - organized by entity type



GORDON ATLANTIC INSURANCE
— MAKING INSURANCE MAKE SENSE —



Sample Costs for various occupations, based on rates published October, 2017; subject to change without notice.

	Proprietor, Partner, Member			annual WC cost
	code	rate	payroll charged	
Inside, clerical only	8810	0.07	\$ 48,700	\$ 34
In and out (sales)	8742	0.16	\$ 48,700	\$ 78
Carpenter	5645	8.11	\$ 48,700	\$ 3,950
Plumber / HVAC	5183	3.45	\$ 48,700	\$ 1,680
Electrician	5190	2.60	\$ 48,700	\$ 1,266

	Corporate officer making > \$52,000			
	code	rate	Payroll	annual WC cost
Inside, admin only	8810	0.07	\$ 55,120	\$ 39
In and out (sales)	8742	0.16	\$ 55,120	\$ 88
Carpenter	5645	8.11	\$ 55,120	\$ 4,470
Plumber	5183	3.45	\$ 55,120	\$ 1,902
Electrician	5190	2.60	\$ 55,120	\$ 1,433

Notes:

* \$48,700 is the current assigned compensation to owners, which subject to change by the state. Last updated October 2017.

Charges

The charges shown represent approximate additional costs on an annualized basis to an existing policy. Workers comp policies include several hundred dollars of fixed costs, costs for Employer Liability and other charges including terrorism (which unlike other insurance lines, is not optional). For more accurate costs for an entire policy, call Gordon or visit us on line at www.agordon.com/biz.

Subcontractors:

Somewhere, someone has to provide workers compensation for workers, the only exceptions being officers who opt out of the system by signing the state's Form 153. Example, general contractor hires Joe Smith (who has no coverage for himself as a sole proprietor), but Joe is hurt of the job site. Contractor's workers compensation will cover Joe, and the contractor's insurance company charges premium for Joe's labor cost (as uninsured sub).

Audits:

After the policy year is over, the insurance company audits your payroll, adds payments to uninsured sub-contractors, and adjusts the premium retroactively. Obtaining certificates will keep sub-contractors off your payroll, and off your WC costs. Subcontractors excluded from their own workers compensation are included on the hiring contractor's insurance audit (meaning you get charged for these otherwise uninsured subs).

Payroll Services

Work with us and your payroll provider to include workers comp costs to align your labor costs, improve your cash flow, and avoid big audits.

Speak to an expert at Gordon Atlantic Insurance:

800-649-3252

or visit agordon.com/biz