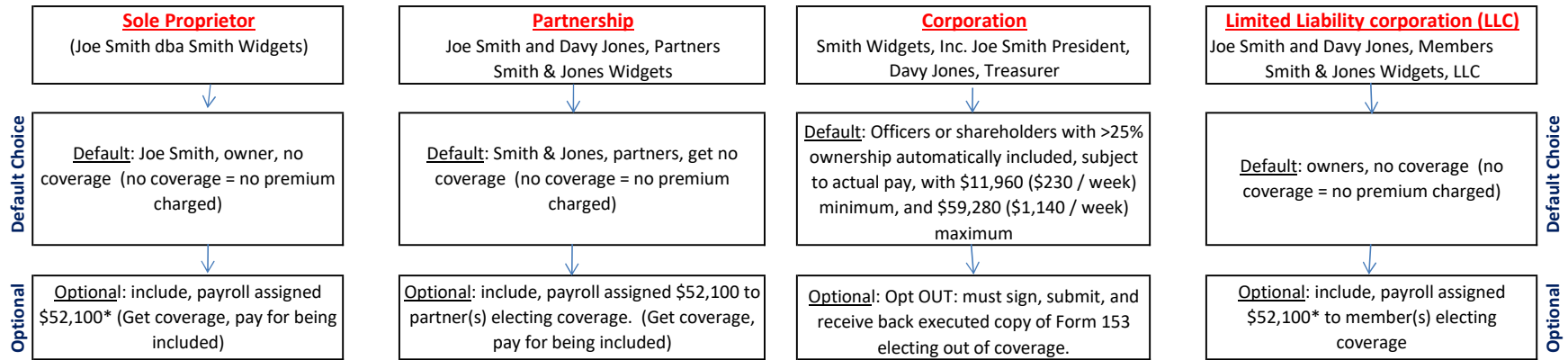


Workers Compensation for business owners - organized by entity type



Sample Costs for owners of various occupations:

<u>Proprietor, Partner, member</u>				
	<u>code</u>	<u>rate</u>	<u>payroll charged*</u>	<u>annual WC cost</u>
Inside, clerical only	8810	0.09	\$ 52,100	\$ 47
In and out (sales)	8742	0.15	\$ 52,100	\$ 78
Carpenter	5645	7.10	\$ 52,100	\$ 3,699
Plumber	5183	2.93	\$ 52,100	\$ 1,527
Electrician	5190	2.17	\$ 52,100	\$ 1,131
HVAC	5183	2.93	\$ 52,100	\$ 1,527

<u>Corporate officer making > \$52,000</u>				
	<u>code</u>	<u>rate</u>	<u>Payroll</u>	<u>annual WC cost</u>
Inside, admin only	8810	0.09	\$ 59,280	\$ 53
In and out (sales)	8742	0.15	\$ 59,280	\$ 89
Carpenter	5645	7.10	\$ 59,280	\$ 4,209
Plumber	5183	2.93	\$ 59,280	\$ 1,737
Electrician	5190	2.17	\$ 59,280	\$ 1,286
HVAC	5183	2.93	\$ 59,280	\$ 1,737

Notes:

* \$52,100 is an assigned compensation to owners, partners, members, subject to change by the state. Last updated October 2019.

Charges

The charges shown represent approximate annual base costs to a workers comp 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 Atlantic Insurance or visit us on line at www.agordon.com/biz.

Subcontractors:

Someone somewhere must 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. The hiring contractor's workers comp will cover Joe, because their insurance company will charge a premium for his labor (as uninsured subcontractor).

Audits:

After the policy year is over, the insurance company audits your payroll (including any pay to uninsured sub-contractors), and adjusts the premium retroactively. Gathering certificates with evidence of existing workers comp saves money, by NOT including them in payroll as 'uninsured contractors'. Subcontractors excluded from their own workers compensation are included on the hiring contractor's insurance audit. Hint: avoid big audit surprises by talking to us about having your payroll service include your workers comp costs as they pay your employees. Pay-as-you-go.

Payroll Services

Ask us about having your payroll service include your workers compensation costs at payroll. to align labor costs, improve cash flow and avoid big audits.

Making insurance make sense

800-649-3252

