

Workers' Compensation Payroll Reporting Information

Dear Insured:

Enclosed is a payroll report form that must be completed and returned to our office. The information you provide will allow us to properly adjust your premium for the indicated policy period.

To successfully complete your audit, you must include copies of tax forms or payroll documentation relevant to your business to support the information being reported.

Please refer to the **Supporting Tax and Payroll Documentation Reference Table** on page 2 to determine what documentation is required and acceptable based on your business entity. If your entity type is not listed, please provide the tax documents you filed. If your policy provides coverage for multiple business entities, you must provide copies of supporting tax and payroll documentation for each entity.

We realize that the time frames associated with the requested reports may not match your policy period exactly. We ask that you send those reports that most closely correspond to the indicated policy period.

Construction/Contracting Businesses:

See Section B of the **Supporting Tax and Payroll Documentation Reference Table** for a list of additional information you must send for each subcontractor you contracted to provide work or services during the indicated policy period.

If you do not allow us to examine and audit all of your records that relate to this policy and/or do not provide audit information as requested, we may apply an Audit Noncompliance Charge of up to TWO TIMES your estimated annual premium.

Our contract with the Workers' Compensation Insurance Plan requires us to cancel your current coverage if you fail to complete and return the payroll report form along with the requested tax and payroll documentation by the due date. You will remain ineligible for coverage through the DE Workers' Compensation Insurance Plan until you have complied with all audit requirements.

If you have any questions, feel free to contact our Residual Market Underwriting Services Department toll-free at (877) 347-3596 or by email at polycyservices@ormarks.com.

Thank you for your cooperation,

Old Republic Residual Market Services

Workers' Compensation and Employers' Liability Insurance Policy

DE WCIP Assigned Carrier: PMA Ins Co - NCCI Carrier Code 11916

Old Republic Residual Market Services

PO Box 9325 Minneapolis, MN 55440-9325

Website ormarks.com Phone (612) 902-9240 Toll Free (877) 347-3596 Fax (612) 902-9241

Supporting Tax and Payroll Documentation Reference Table

Section A	
Your Business Entity is a...	Provide the following tax documents and payroll information with your completed Mail Audit Payroll Report Forms
Sole Proprietorship	If you have employees: Provide IRS Form 940 –Federal Unemployment Tax Reports/State Unemployment Tax Reports or 941-Quarterly Federal Tax Return showing employee gross wages for all quarters pertaining to the policy period. <i>*Farm Operations – IRS Form 943</i>
	If you use QuickBooks or other payroll reporting services: Provide the Payroll Summary showing Individual gross wages that pertain to the policy period.
	In addition to the above documents you must also include: IRS Form 1040 and Schedule C – Profit or Loss From Business – All pages <i>*Farm Operations: IRS Form 1040 and Schedule F</i>
Partnership	If you have employees: Provide IRS Form 940 –Federal Unemployment Tax Reports/State Unemployment Tax Reports or 941-Quarterly Federal Tax Return showing employee gross wages for all quarters pertaining to the policy period. <i>*Farm Operations – IRS Form 943</i>
	If you use QuickBooks or other payroll reporting services: Provide the Payroll Summary showing Individual gross wages that pertain to the policy period.
	In addition to the above documents you must also include: IRS Form 1065 – Return of Partnership Income and Schedule K-1 IRS Form 1125-A – Cost of Goods Sold
Corporation Nonprofit Org. Association Cooperative	If you have employees: Provide IRS Form 940 –Federal Unemployment Tax Reports/State Unemployment Tax Reports or 941-Quarterly Federal Tax Return showing employee gross wages for all quarters pertaining to the policy period. <i>*Farm Operations – IRS Form 943</i>
	If you use QuickBooks or other payroll reporting services: Provide the Payroll Summary showing Individual gross wages that pertain to the policy period.
	In addition to the above documents you must also include one of the following Income Tax Returns: IRS Form 1120 – Corporation, or 1120S - S Corporation, or 1120H - Homeowner's Assoc. , 1120C - Coop Assoc., or IRS Form 990 - Tax Exempt Orgs. And you must also include: IRS Form 1125-A – Cost of Goods Sold
Limited Liability Company (LLC)	If you have employees: Provide IRS Form 940 –Federal Unemployment Tax Reports/State Unemployment Tax Reports or 941-Quarterly Federal Tax Return showing employee gross wages for all quarters pertaining to the policy period. <i>*Farm Operations – IRS Form 943</i>
	If you use QuickBooks or other payroll reporting services: Provide the Payroll Summary showing Individual gross wages that pertain to the policy period.
	Provide additional tax documentation as described above for a Sole Proprietorship, Partnership, or Corporation based on the filing structure that applies to your business.
Section B – Additional Reporting Requirements or Exceptions	
Construction or Contractors who use Subcontractors	Provide the following additional information for each Subcontractor used: Copy of the subcontractor's Workers' Compensation Certificate of Insurance. 1099s and 1096 – Summary of amounts paid to each subcontractor and total. Copy of the bid or invoice and a copy of the contract if available.
Domestic Workers	If you employ domestic workers, list the total number of employees for the policy period, the number of hours worked by each and dates of employment for each.
Firefighters	If you employ firefighters, include a roster of all firefighters (paid or volunteer) and any payments received.

Workers' Compensation and Employers' Liability Insurance Policy**DE WCIP Assigned Carrier:** PMA Ins Co - NCCI Carrier Code 11916

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Workers' Compensation Mail Audit – Payroll Report Form**The Insured:****Policy Number:** _____**Tax ID:** _____**Policy Effective Dates From:** _____**To:** _____

Your workers' compensation policy premium is based on estimated payroll information. It is now time to complete the audit for the policy period listed above to determine the actual payroll base and adjust your final premium, which may result in a refund or additional premium due on your policy.

Please complete and return this form to our office by the due date and include copies of the required supporting tax/payroll documentation described in the reference table on page 2. Attach additional documentation if you wish to clarify any information and/or make copies of this form for additional entries as needed.

1. IF YOU EMPLOYED LESS THAN 20 PEOPLE DURING THE POLICY PERIOD, LIST ALL EMPLOYEES BY NAME. *IF YOU EMPLOYED 20 OR MORE PEOPLE, YOU MAY LIST THE TOTAL NUMBER OF EMPLOYEES FOR EACH SPECIFIC JOB DUTY. **DO NOT INCLUDE PAYROLL FOR OWNERS, PARTNERS, OR OFFICERS IN THIS SECTION.**

EMPLOYEE NAME INCLUDING CASUAL LABOR (*# OF EMPLOYEES)	DESCRIPTION OF WORK/JOB DUTIES	**AMOUNT OF GROSS PAYROLL INCLUDING OVERTIME	AMOUNT OF OVERTIME INCLUDED IN GROSS

**Gross payroll includes: salaries, wages, commissions, bonuses, vacation, holiday pay, sick time, overtime, shift differentials, employee savings plans, retirement, or cafeteria plans that are made through employee-authorized salary reduction from the employee's gross pay.

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Workers Compensation Mail Audit – Payroll Report Form Continued

2. LIST GROSS PAYROLL OR DRAW TO OWNERS, PARTNERS, OR OFFICERS IN THIS SECTION			
NAME OF OFFICER, PARTNER, SOLE PROPRIETOR	DESCRIPTION OF DUTIES	AMOUNT OF DRAW/GROSS PAYROLL	TITLE/RELATIONSHIP

3. LIST MEALS, LODGING AND TIPS IN THIS SECTION	
TIPS: LIST AMOUNT OF TIPS, IF ANY, THAT ARE INCLUDED ABOVE	\$
MEALS: LIST THE MONTHLY VALUE OF MEALS FURNISHED TO EMPLOYEES AS PART OF THEIR PAY THAT IS NOT INCLUDED ABOVE	\$
LODGING: LIST THE MONTHLY VALUE OF ROOMS, APARTMENTS, OR HOUSING FURNISHED TO EMPLOYEES AS PART OF THEIR PAY THAT IS NOT INCLUDED ABOVE	\$

4. HAVE THERE BEEN ANY CHANGES TO YOUR BUSINESS OPERATIONS, OWNERSHIP, LOCATIONS, OR LEGAL ENTITY DURING THE POLICY PERIOD? YES OR NO
5. IF YES, PLEASE PROVIDE A BRIEF EXPLANATION OF THE CHANGE INCLUDING THE DATE OF THE CHANGE.

6. DURING THE POLICY PERIOD, DID YOU USE SUBCONTRACTORS? YES OR NO				
7. IF YES, PROVIDE THE FOLLOWING INFORMATION FOR ALL SUBCONTRACTORS AND/OR INDEPENDENT CONTRACTORS PROVIDING SERVICES DURING THE POLICY PERIOD. <i>INCLUDE COPIES OF CERTIFICATES, 1099s AND BIDS, INVOICES, OR CONTRACTS FOR EACH.</i>				
NAME OF SUBCONTRACTOR OR INDEPENDENT CONTRACTOR	TYPE OF WORK PERFORMED	TOTAL COST OF JOB	COST OF LABOR	CERTIFICATE OF INS? Y/N

I hereby certify that the information provided is an accurate statement of the gross earnings paid to all employees, owners, officers, laborers, and/or subcontractors for the policy period.

Signature of Policyholder

Date

Phone Number/Email Address