

PAYROLL REPORTING...INCLUDE THIS PAYROLL

The following are examples of payroll that should be reported for workers' compensation purposes. Contact your agent for help with questions about payroll reporting. The list is not all inclusive, but represents typical payroll that members ask about when completing payroll reports.

Base pay

Report salary, hourly wages or daily payroll.

Bonus pay

Report anticipated bonus pay. Bonus payments are considered anticipated when the payment offsets a pay cut or reduction in wages or is made instead of a raise. Payments made for meeting or exceeding production goals or exceeding attendance standards are considered anticipated. If a bonus is paid annually and it is reasonable for an employee to rely on the bonus as they do their regular wages or salary, it is considered anticipated.

Note: Unanticipated bonuses paid more than twice in a year are considered anticipated due to their frequency, and must be included.

Bonus pay for corporate officers

Payments made to covered corporate officers who have ownership interest are anticipated and considered subject payroll.

Commissions paid

Hand or power tool allowance

Payment or allowance for tools used by hand, provided by employees, either directly or through a third party and used in their work for the insured (except for power saws supplied on a logging contract).

Holiday pay

Report personal holidays, birthdays, and anniversaries when paid.

Housing allowance

Report the fair market value including housing allowance or payments.

Incentive pay

Individual retirement account contributions

Report payments made by the employer to an employee's retirement account.

Jury duty pay

Report the net amount of jury duty paid by the employer.

Overtime pay

The straight-time portion is always included, i.e. if straight-time is \$10 per hour, and overtime is \$15 per hour for each hour worked over eight hours in a day or 40 hours in a week, include the \$10 straight-time portion for each hour of overtime paid.

Paid time off (PTO)

PTO plans have replaced many traditional vacation and sick pay plans. Be aware that by replacing a traditional vacation plan with a PTO plan, most employers forego the workers' compensation vacation pay exclusion. However, some PTO wages may be excludable if the employer develops a tracking system to record pre-arranged time off for vacation.

Pay for corporate officers

Report this compensation when officers are covered.

Pay for personal days off**Piecework pay****Pre-tax contributions to group benefit plans**

Report employee pre-tax contributions to group benefit plans or cafeteria plans, such as retirement savings, health or life insurance, flexible spending accounts. This applies to plans where pre-tax dollars are deducted from employees' gross payroll for payment of these benefits.

Prevailing wages

Report Davis-Bacon Act or similar requirements, except for fringe benefit amounts paid directly into a third party pension plan qualified under IRC Sections 401(a) and 501(a), or into a group insurance plan.

Safety bonuses

Report these bonuses if they are being paid to offset pay cuts or a reduction of wages not met.

Shift differential pay**Sick leave pay**

(This includes maternity leave pay if provided.)

Stock bonus

Report where employees receive company stock as part of their pay.

Standby pay**Travel pay**

Report wages paid to cover travel time to or from a job site.