Payroll reporting
In defining payroll, we generally follow the guidelines of Medicare wage reporting, with exceptions involving construction industry and corporate officer wages. Please refer to the information below regarding these exceptions. Additionally, you can find more detailed information regarding our payroll reporting requirements by visiting www.bwc.ohio.gov and following the path Employer/Financial Information/Payroll Reporting Information.

Who is reportable to BWC?
- All employees – full, part-time and seasonal
- Officers of corporations
- Spot and casual labor
- Employees of out of state companies doing business in Ohio for more than 90 consecutive days
- Owners, partners, incorporated individuals, ministers and officers of family farms who have elected coverage and completed a U3S form (application for elective coverage)

Payroll: what is reportable?
- Gross hourly wages and gross salaries less qualifying deductions for section 125 cafeteria plan benefits (usually Medicare wages*)
- Sick pay (including third party, excluding workers’ compensation)
- Bonus payments, including stock given as a bonus
- All sales commissions
- All tips
- Severance pay
- Overtime pay
- All shift or holiday differential pay
- All stock gifts
- Profit sharing going directly to the employees as payroll
- Any voluntary employee contributions to retirement plans, including 401K
- Reasonable value of board, lodging, house or room rent unless provided for the convenience of the employer
- Contributions to deferred compensation by employees (except for contributions to a governmental 457 plan)
- Personal use of company car
- Payments to casual/spot labor

*Premiums for life insurance over 50k not reportable to BWC.

Contract labor
1099 labor may be reportable. We will review multiple factors when considering the type of the relationship between the employer and worker to determine who has the right of direction and control. Examples of the factors include but have no limit to:
- Who is providing the tools and equipment and establishing the hours of work and pay;
- Does the contracted party incur expenses and realize a profit or loss;
- It is important to obtain bids, contracts, proof of liability insurance or BWC certificate of coverage for all contract labor that you hire.

8810 clerical office
Reservation for this manual classification is for employees who spend their entire work day in a physically separated office with no duties in any other operation. There is no division of payroll permitted between this classification and any other manual classifications.
**Division of payroll by manual classification**

If you have multiple manual classifications assigned to your policy where we permit the distribution of wages to multiple manual classifications, you must maintain worksheets reflecting specific details at the employee level. You must make the worksheets available upon us conducting an audit. We prefer a spreadsheet but the records need to show the employee name, title or department, manual classification, quarterly wages (gross less section 125), payroll assigned by manual classification if more than one applies to specific employees.

We do not permit a division of payroll by manual classification with the following manual classifications.

- 8810 clerical office
- 8742 outside salesperson
- 5606 project manager, construction executive, manager, superintendent
- 5605 construction estimator
- 8871 clerical teleworker
- 8748 automobile salesperson

**Payroll reporting for sole proprietors and partnerships**

There is no requirement for sole proprietors and partners to cover themselves. Sole proprietors and partners may elect to cover themselves by completing an Application for Elective Coverage (U-3S). Sole proprietors and partners must report payroll only if they have elected to cover themselves. Report your actual net income (subject to our minimum/maximum reporting requirements) as found on your schedule C or schedule K1.

For all individuals electing coverage, we’ll assign the manual class based on your actual duties performed. If you have duties in multiple operations, your full wages are reportable to the highest rated manual class.

**Payroll reporting for corporate officers**

Corporate officers who specify in the minutes of the corporation are subject to the minimum and maximum reporting limits. There is a requirement for unpaid active officers to report the annual minimum amount. If your corporation is nonprofit, we will consider the executive director a corporate officer. We will not consider a volunteer officer an employee for workers’ compensation purposes.

**Minimum and maximum payroll reporting requirements**

For the policy year July 1, 2017, to July 1, 2018, the weekly minimum reportable wage is $451; the weekly maximum reportable wage is $1,353. The following individuals are subject to a minimum and maximum payroll reporting requirement:

- Sole proprietors, including single member limited liability company (LLC);
- Partners (including LLCs filing as a partnership);
- Individuals incorporated as a corporation with no employees;
- Family farm corporate officers.

**Construction cap**

Payroll for individuals reporting to construction manual classifications can cap at the maximum weekly amount. You must maintain worksheets on a weekly basis that reflects the weekly wages paid to construction industry employees. To obtain a list of all eligible construction manual classifications and weekly payroll limitation cap, refer to [www.bwc.ohio.gov](http://www.bwc.ohio.gov).

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