

Officer Exemption Guidelines Officer Minimum & Maximum Payrolls 2023

This is a quick overview of the rules by state.
For up-to-date forms and information, visit each state's website or discuss with your underwriter.

Florida

- **Sole Proprietor, Partnership and a LLP are automatically excluded**
 - Sole proprietor or partners that wishes to be included in coverage must submit a form to the state electing coverage and need to be endorsed on the policy that they are covered
- **Corporate and LLC officers are included**
 - Unless they elect to be excluded
 - Regarding an LLC, basically if they receive remuneration they are defined as an "employee" and would need to file an exemption if they wish to be excluded
 - Non-Construction limited liability members will be treated as corporate officers and allowed to apply for exemptions
- **Construction industry (construction class codes)**
 - Only three officers can elect to be excluded and they must each own at least 10% of stock
 - Must have the specific class code they wish to be excluded
 - Can only list up to three class codes
 - Construction exemptions have a beginning date and an end date
- **Exemptions**
 - When filed have to be sent to the state by the employer or to their agent; send the carrier a copy of what was sent to the state so carrier has a record that the form was furnished to the state
 - Effective 7/1/12 applicants for new exemptions, renewals or revoking exemptions can apply online at:
<http://www.myfloridacfo.com/Division/WC/Employer/Exemptions/default.htm#.WdueejBrw2w>; for more info call 850-413-1609
 - Elections on or after 1/1/13 are valid for 2 years after the effective date

Georgia

- **Sole Proprietors and Partnerships are automatically excluded**
 - Form can filed to include sole proprietors and partnerships
 - Sole proprietor and partners need to be endorsed on the policy to be included
- **Corporate and LLC officers are included**
 - Unless they elect to be excluded
 - The exclusion form must be filled out, signed and sent to the carrier if an LLC member or corporate officer wishes to be excluded or included in coverage
 - Corporation may exempt no more than five corporate officers
 - Form can also be used to elect coverage for farm laborers
 - Form is filed once and effective until revoked by insured

South Carolina

- **Sole proprietors, Partnerships and a LLC are automatically excluded**
 - Unless they elect inclusion
 - Need to be endorsed onto the policy for coverage
 - Need to advise the carrier
 - Effective until revoked by insured
- **Corporate officers wanting to be excluded**
 - Must fill out the SC form
 - Exclusion is effective the day it is dated and no later than the day following the date
 - Signed by the corporate officer
 - Need to send the form to the carrier
 - Filed only once and effective until revoked by insured

North Carolina

- **Sole proprietors, partners and members of a LLC are automatically excluded**
 - Coverage may be elected in writing
 - Need to be endorsed onto the policy in order to be included
 - Filed only once and effective until revoked by insured
- **Corporation officers are automatically included**
 - No specific exemption form for the state
 - Corporate officers can elect exemption in writing
 - Corporate officers list their name and sign that they want to be excluded; each officer, who wishes to be excluded, has to sign it
 - When the written, signed request is received by the carrier, they can be excluded
 - Filed only once and effective until revoked by insured

Virginia

- **Sole Proprietors and Partnerships are automatically excluded**
 - Can elect to be included by notifying the carrier and being endorsed onto the policy
- **Corporate and LLC officers are included**
 - Unless they elect to be excluded
 - VA exclusion form must be filled out for each corporate officer or manager of an LLC that elects to reject coverage
 - Rejection of coverage is continuous unless ended by filing a termination of prior rejection of coverage
 - Form must be filed with the Virginia Worker's Compensation Commission
 - Copy of the form must be sent to the carrier

To verify if an exclusion is filed, contact the Virginia Commission at 804-367-2075 or email vwinsurance@workcomp.virginia.gov.

Alabama

- **Sole Proprietors and Partnership are automatically excluded**
 - To be included need to file a form of inclusion with the state and the carrier
- **Corporate and LLC officers are include**
 - Unless they elect to be excluded
 - Officer of a corporation may elect annually to be exempt from coverage by filing a written certificate of the election with the department and the employer's insurance carrier
 - At the end of a calendar year, corporate officer exempted by proper certificate from coverage may revoke the exemption by filing a written certification with the department and the employer's insurance carrier

Kentucky

- **Sole Proprietors and Partners are excluded unless they elect coverage**
 - Must notify the carrier and be endorsed onto the policy
- **Corporate Officers are automatically included unless they elect to be exempted**
- **LLC Members are automatically excluded unless they elect to be included**
 - Must notify the carrier and be endorsed onto the policy
- **Exemption form allows officers to elect status**
 - Original form, with colored lettering, must be filed with the state (*photocopies will not be accepted*); must be filled out completely; original submitted to the state in order for the exclusion to become effective
 - Carrier will mail original form to the employer as needed
 - Effective when the original form is received from the employer and accepted for filing by the Department of Workers' Claims
 - Employer has to keep on file copies of all rejection notices signed by current employees

Helpful Websites

Florida

Workers' Compensation: <http://www.myfloridacfo.com/Division/WC/Employer>

Secretary of State: <http://www.sunbiz.org>

Georgia

Workers' Compensation: <http://sbwc.georgia.gov>

Secretary of State: <http://sos.georgia.gov/corporations>

North Carolina

Workers' Compensation: <http://www.ic.nc.gov>

Secretary of State: <http://www.sosnc.gov/corporations/thepage.aspx>

South Carolina

Workers' Compensation: <http://www.wcc.sc.gov/pages/default.aspx>

Secretary of State: <http://www.scsos.com>

Virginia

Workers' Compensation: <http://www.vwc.state.va.us>

Secretary of State: <http://www.scc.virginia.gov/clk/bussrch.aspx>

Alabama

Workers' Compensation: <https://labor.alabama.gov/wc/workers-compensation.aspx>

Secretary of State: <http://sos.alabama.gov>

Kentucky

Workers' Compensation: <http://www.labor.ky.gov/workersclaims/pages/departement-workers'-claims.aspx>

Secretary of State: <https://app.sos.ky.gov/ftsearch/>

Officer Minimum & Maximum Payrolls for Audit

Alabama Effective 3/1/2023

Officer Minimum: \$54,600 | **Officer Maximum:** \$213,200 | **Sole Owner Partners:** \$53,400

Florida Effective 1/1/2023

Officer Minimum: \$57,200 | **Officer Maximum:** \$171,600 | **Sole Owner Partners:** \$57,100

Florida Construction

Officer Minimum: \$28,600 | **Officer Maximum:** \$171,600 | **Sole Owner Partners:** \$57,100

Georgia Effective 1/1/2023

Officer Minimum: \$62,400 | **Officer Maximum:** \$254,800 | **Sole Owner Partners:** \$63,200

Kentucky Effective 1/1/2023

Officer Minimum: \$52,000 | **Officer Maximum:** \$202,800 | **Sole Owner Partners:** \$50,800

North Carolina Effective 4/1/2023

Officer Minimum: \$57,200 | **Officer Maximum:** \$114,400 | **Sole Owner Partners:** \$55,900

South Carolina Effective 4/1/2023

Officer Minimum: \$26,000 | **Officer Maximum:** \$202,800 | **Sole Owner Partners:** \$50,100

Virginia Effective 4/1/2023

Officer Minimum: \$33,800 | **Officer Maximum:** \$135,200 | **Sole Owner Partners:** \$67,100