



FUBA i s s u e s

Florida United Businesses Association

OUR BUSINESS IS SMALL BUSINESS

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NEW FLORIDA MINIMUM WAGE POSTER IS ENCLOSED

Starting January 1, 2015, the Florida minimum wage will increase to \$8.05 an hour, up from the current minimum of \$7.93 an hour. The minimum cash wage you must pay tipped employees is also increasing, to \$5.03 an hour.

Because the state minimum wage is changing for 2015, there will be a new Florida minimum wage poster required starting January 1, 2015.

As a benefit of your FUBA membership, we have enclosed a FREE 2015 Florida minimum wage poster for your business.

In addition to displaying the Florida-specific minimum wage poster, Florida employers are also required to display the Federal minimum wage poster. You should already have this Federal minimum wage poster as a part of the All-in-One poster you received when you joined FUBA. If your Federal minimum wage poster says the Federal minimum wage is \$7.25 an hour, this Federal poster is current. [Please note: even though Florida employers are required to display both the Florida and the Federal minimum wage posters, employers must pay their employees whichever minimum wage is higher, which is the Florida minimum wage.]

If you have questions about Florida's minimum wage or would like extra copies of the poster, please email us at fuba@fuba.org. Please include your name, your business name, phone number, and mailing address in your email.

FLORIDA WORKERS' COMP RATES WILL DECREASE IN 2015

The rates Florida businesses pay for workers' compensation insurance coverage will decrease

for 2015 an average of 5.2%. This is the first rate decrease in four years, and it will apply to new and renewal workers' compensation policies starting January 1st.

The 5.2% decrease is an average over the hundreds of different industry classifications. Individual classes may decrease more or less than this amount. The average rate change for the 5 major industry groups are as follows:

- Manufacturing -5.9%
- Contracting -5.6%
- Office & Clerical -4.1%
- Goods & Services -5.3%
- Miscellaneous -5.1%

Your company's workers' compensation premium is determined by multiplying the total payroll for your business by the specific rate for the classification(s) for your business. Please note that the specific rate for your particular business may be decreasing more or less than the average of 5.2%. If you have any questions about the new rates and how they apply to your workers' comp policy, you should call your local insurance agent.

NEW OSHA REPORTING REQUIREMENTS GO INTO EFFECT JANUARY 1ST

The Occupational Safety & Health Administration (OSHA) is charged with ensuring that all employers provide a safe workplace for their employees. Under federal law, all employers, regardless of size or industry type, must report to OSHA all fatal work-related accidents and work-related hospitalizations of 3 or more employees.

Starting January 1, 2015, all employers will be required to report work-related fatalities within 8 hours and all in-patient hospitalizations,

amputations, and losses of an eye within 24 hours of finding out about the incident.

Employers have 3 options for reporting these incidents to OSHA:

- Call the regional OSHA office in Atlanta at 678-237-0400
- Call the 24-hour OSHA hotline at 800-321-OSHA (6742)
- Report online at **osha.gov/report_online**

Under Florida law, employers must also report all workplace fatalities to the Florida Division of Workers' Compensation by calling 800-219-8953. Alternatively, employers can fax a First Report of Injury form containing the fatality information to 850-413-1980.

In addition to these reporting requirements, employers who have workers' compensation insurance are also required to report all workplace injuries to their workers' compensation insurance company. By law, employees are required to report work-related injuries to their employer no later than 30 days after they happen. Employers must then report work-related injuries to their insurance company within 7 days after learning of the injury. Late reporting of claims to your insurance carrier can result in the state assessing penalties and holding the employer responsible for paying part of the injured employee's benefits.

Employers should report all claims from employees to the employer's insurance company, including claims in which there are no witnesses of the injury or illness. It is the insurance company's responsibility to then investigate all claims and determine if employees are entitled to workers' compensation benefits.

Most insurance companies have toll-free numbers to report workplace injuries and accidents. You can find the number to report claims to your insurance company on the "broken arm" poster your insurance company provided you. If you are insured through FUBA Workers' Comp (coverage provided by the Florida Citrus, Business & Industries Fund), the number to report a claim is 800-444-9098 extension 6353 (after hours extension is 6370).

FEDERAL UNEMPLOYMENT TAX DUE JANUARY 31ST

Florida employers are required to pay both Florida and Federal unemployment tax each year. The Florida unemployment tax is paid quarterly to the State of Florida. Federal unemployment tax (FUTA) is also paid quarterly (although it is paid to the Internal Revenue Service). Unlike the Florida tax, the FUTA tax return (IRS Form 940) is filed only once a year. For calendar year 2014, the FUTA tax return is due to the IRS January 31, 2015.

The federal unemployment tax rate is 6.0%, and it applies to the first \$7,000 you pay to each employee as wages during the year. [This is different than the state tax – in Florida, you pay tax on the first \$8,000 you pay to each employee.] However, Florida employers get a credit of 5.4% on their federal tax for the state reemployment tax they pay, making the effective FUTA tax rate 0.6%.

For deposit purposes, you should figure your FUTA tax quarterly by multiplying the amount of taxable wages paid during the quarter by 0.6%. Stop depositing FUTA tax on an employee's wages when he or she reaches \$7,000 in taxable wages for the calendar year.

If your FUTA tax liability for any calendar quarter is \$500 or less, you do not have to deposit the tax that quarter. Instead, you may carry it forward and add it to the tax for the next quarter to see if you have to make a deposit. One you hit \$500 in tax owed, you must make a deposit.

If your FUTA tax for the fourth quarter of the calendar year, plus any amounts you are carrying forward from prior quarters, is over \$500, you must pay the entire amount by the due date of the FUTA tax return (Form 940), which is January 31st. Also, if the amount due is over \$500, you are required to pay it via electronic funds transfer. If it is \$500 or less, you can make a deposit, pay the tax with a credit or debit card, or pay the tax with your Form 940 by January 31st.

If you do not receive a Form 940, you can get one by calling the Internal Revenue Service at 800-TAX-FORM (800-829-3676) or from their website at **irs.gov**.