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MINIMUM WAGE UPDATE

The Florida Legislature is currently debating a proposed bill that would implement the new Florida minimum wage that is scheduled to take effect on May 2, 2005. Please note: even if this bill does not pass, the statewide minimum wage of \$6.15 per hour will still become effective on May 2nd. Employers **must** begin paying this new, higher wage on that date.

The proposed bill is intended to give us some more details about how the new minimum wage will work. Although the bill is subject to change as it makes its way through the legislative process, right now the bill contains the following provisions:

- It limits the new statewide minimum wage to those employees currently eligible to receive the federal minimum wage of \$5.15 an hour.
- It adopts the U.S. Consumer Price Index for the south region as the applicable index for determining how much the minimum wage will increase each year.
- It requires the Agency for Workforce Innovation to publish notice of the new state minimum wage each year.
- It requires employers to notify their employees if they are not being paid the correct wage. The bill then gives employers 15 days to resolve a claim for unpaid wages before the employee files a lawsuit.

The bill does not require employers to put up a poster about the new minimum wage. If you receive solicitations from poster companies in the mail telling you there is a new minimum wage for Florida, do not be fooled into buying an unnecessary poster! We will be the first to tell you if and when a new poster is required. Please watch future editions of this newsletter for more information as it becomes known.

ARE YOU A CORPORATION OR AN LLC? DON'T FORGET TO FILE YOUR ANNUAL REPORT BY MAY 1ST

If you formed a corporation (INC) or a Limited Liability Company (LLC) in the 2004 calendar year or prior, you are required by state law to file an Annual Report with the Florida Department of State before May 1, 2005. The Annual Report is simply the way for you to update the routine information in the State's database about your company like your address, owner/officer information, and your registered agent. No financial or tax information is needed. If you do not have any changes to report, you just simply sign and date the form and return it with a filing fee of \$150 if you are a corporation and \$50 if you are an LLC.

If you have added owners/officers to your business or moved locations, now is the time to tell the State of Florida by reporting it on your Annual Report. This is especially important if you have added an owner who needs to secure a workers' compensation exemption. They cannot apply for an exemption until they are listed as an office on the State of Florida's corporate database.

If you do not report changes to your business on your Annual Report, you will have to file an amendment to your Articles, which can be costly. Reporting changes on your Annual Report is free.

If you formed a corporation or Limited Liability Company in 2004, you should have already received a small reminder postcard from the Department of State. You have 3 options on how to file your Annual Report:

- File on-line with a credit card at www.sunbiz.org. Click on "Click here to file your 2005 Annual Report" and follow the instructions. You can type in any new officers to add or any who need to be deleted. This method is paperless and you pay with

a credit card at the end of the process. You can print out a receipt when finished.

- Download your pre-printed Annual Report from the Department of State at www.sunbiz.org. Click on "Click here to download your 2005 Annual Report form." Print the form, fill it out, make any necessary changes and mail it with a check for your filing fee to the State.
- Mail back the tear-off part of the reminder card that you received from the Department of State and request that they mail your Annual Report to you. Once you get it, fill it out and mail with your filing fee to the State. Please note: this option can take up to 30 days for the State to mail your form to you. This option is not a good choice if you wait until April to begin the annual report process.

Failure to file your Annual Report on time will result in a \$400 late fee and may result in the state dissolving your corporation or LLC. If this happens, **you can lose your workers' compensation exemption** since your company is no longer in good standing. Every corporation and LLC formed in 2004 and prior must file an Annual Report. Those corporations and LLC's formed in 2005 do not have to file their Annual Report until next year.

If you have any questions about your company's Annual Report, you can contact the Division of Corporations. The number for corporations is 850-245-6056. The number for LLC's to call for information is 850-245-6051.

LEGISLATIVE UPDATE

The 2005 Session of the Florida Legislature begins March 8, 2005 and will run for 60 days. We expect a number of issues important to small businesses to be considered. They include:

- Statewide minimum wage implementation (see above article explaining this bill).
- Tort reform: Governor Bush has made reducing frivolous lawsuits and reforming Florida's litigation system a top priority for this Session, and we commend him for his leadership on this issue. He will unveil his plan for tort reform in the coming days. **If your business has been adversely impacted by a frivolous lawsuit, we would like to hear your story. Please email our legislative affairs team at kphillips@fuba.org.**

- Constitutional amendments: Along with a number of other business groups, FUBA believes our current system allows inappropriate issues to be added to the state's Constitution. We support reforms that would make it harder to amend Florida's Constitution.
- Taxes: FUBA is supporting Governor Bush's proposal to completely eliminate the state intangibles tax. We also support efforts to repeal the "by-the-drink" tax restaurants and bars pay on each alcoholic beverage, beer and glass of wine they sell.

FUBA WORKERS' COMP RENEWAL REMINDER

If you get your workers' compensation insurance through FUBA from our Florida Citrus, Business & Industries Fund, you know that our insurance policies end on March 31st of each year and our new policies begin on April 1st.

If you qualify to have your current policy renewed, we mailed you a renewal notice last month stating that your renewal policy will begin April 1, 2005. You also should have received an invoice for your renewal policy. You must pay this renewal invoice in order for your policy to renew. **If we do not receive your renewal payment by March 15, 2005, your workers' compensation coverage will terminate on March 31, 2005.**

If you have any questions about your renewal invoice, please call our Accounting Department at 888-262-4483. If you have any changes to make to your current policy, such as adding employees or other payroll, please contact your insurance agent so they may report this information to us.