



FUBA
FLORIDA UNITED BUSINESSES ASSOCIATION

ISSUES

OUR BUSINESS IS SMALL BUSINESS

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FLORIDA WORKERS' COMP RATES WILL INCREASE 14.5 % ON DECEMBER 1, 2016

The rates Florida businesses pay for workers' compensation insurance coverage will increase an average of +14.5% starting December 1, 2016. Current workers' compensation policies that renew on or after December 1st will have the new rates apply at policy renewal. New policies issued on or after this date will also be at the higher rate. If you have an existing workers' compensation policy, the increased rates will be applied to your policy when it renews.

This rate increase is a result of the Florida Supreme Court making changes to state workers' compensation law earlier this year, in particular, increasing the amount of allowable fees for attorneys representing injured workers.

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 increase more or less than the statewide average of 14.5%. If you have any questions about the new rates and how they apply to your workers' comp policy, please contact your local insurance agent.

DISASTER UNEMPLOYMENT ASSISTANCE AVAILABLE IN COUNTIES AFFECTED BY HURRICANE HERMINE

Individuals who lost their job as a result of Hurricane Hermine may be entitled to Disaster Unemployment benefits. Disaster Unemployment Assistance is available now in Citrus, Dixie, Hernando, Hillsborough, Leon, Levy, Pasco and Pinellas counties. It assists individuals who become unemployed as a direct result of a federally-declared disaster who would not otherwise qualify for regular unemployment benefits. The program covers self-employed individuals, owners of farms and ranches, farm and ranch workers, and others who are not normally covered by state unemployment benefits.

Applicants must file a request for disaster benefits by October 31, 2016. All applicants must be legal U.S. residents and must have been working or residing in one of the counties listed above.

The applicant must: (1) have become unemployed as a direct result of the disaster, (2) be unable to reach his or her place of employment as a direct result of the disaster, (3) have been scheduled to begin work and does not have a job or is unable to reach the job as a direct result of the disaster, or (4) be unable to work because of an injury caused directly by the disaster.

To file a Disaster Unemployment claim, go to <http://connect.floridajobs.org> or call the Florida Department of Economic Opportunity at 800-681-8102.

REMINDER: UNEMPLOYMENT TAXES DUE BY OCTOBER 31ST

The Florida unemployment compensation tax (now called "reemployment tax") for the third quarter of 2016 (for payroll paid during the months of July, August and September) is due to the state of Florida by October 31st, along with the Employer's Quarterly Report (RT-6). All Florida businesses with employees are responsible for paying this tax (with very limited exceptions).

On the RT-6 tax return, you must list all employee names and social security numbers, plus the amount of wages you paid them for the quarter.

Please remember that reemployment taxes are collected only on the first \$7,000 of each employee's wages.

Because reemployment tax is only paid on the first \$7,000 of each employee's wages, you may not owe much tax this quarter if your employees have already reached \$7,000 in wages this calendar year.

If you pay your tax by electronic funds transfer (EFT) or through the Internet, you must initiate the payment by 5:00 p.m. ET on the business day prior to October 31st for your payment to be considered timely. A late filing penalty is charged at \$25 for each month or a fraction of a month that a report is late. Interest is charged at 1% per month on the unpaid tax from the original due date until the tax is paid.

If you have 10 or more employees, you are required to file your RT-6 and pay your taxes online through the Department of Revenue's

website, unless you have received a waiver to file your return on paper.

WORKERS' COMP COVERAGE REQUIREMENTS AND EXEMPTION INFORMATION AVAILABLE FROM FUBA

It can be challenging to keep up with the Florida requirements on which businesses are required to have workers' compensation insurance coverage and which business owners are eligible to exempt out of these requirements.

As a service to our members, FUBA has published "Key Coverage Requirements and Exemption Information At-A-Glance." This handy reference guide explains:

- Which businesses are required to have workers' compensation insurance under Florida law
- Which business owners are automatically excluded from workers' compensation
- How business owners in the construction industry can get an exemption from workers' compensation requirements
- Which businesses are considered "construction" by the State of Florida
- How a construction company can be held liable for paying workers' compensation on its subcontractors
- How non-construction business owners can get an exemption from workers' compensation requirements

This guide is a general summary of Florida law and is not intended to give legal advice or replace advice from your local insurance agent. For a copy, please visit our website at **FUBA.org** and look under the "Small Business Alert" tab on the left-hand side of the page.