



FUBA
FLORIDA UNITED BUSINESSES ASSOCIATION

ISSUES

OUR BUSINESS IS SMALL BUSINESS

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IS YOUR WORKERS' COMP EXEMPTION IN JEOPARDY?

If you have an exemption from workers' compensation insurance, you need to make sure that your company files its Annual Report with the Florida Division of Corporations. If this report isn't filed with the State of Florida, your exemption could be in jeopardy.

The State of Florida requires all corporations and limited liability companies (LLC) operating in Florida to file an Annual Report with the Florida Department of State to maintain active status. Annual reports are due to the state by May 1st of every year.

If your business is organized as either a corporation or LLC and you did not file your Annual Report this year, your company is in jeopardy of being dissolved by the state.

If your business is dissolved, this could affect the cost of your workers' comp insurance. After your business is dissolved, your company's officers/owners will no longer qualify to hold an exemption from workers' comp insurance, which means the business will be charged premium on the officer(s)' payroll.

This year, the last day to file your Annual Report is September 21st. A business that does not file its Annual Report by Friday, September 21, 2019, will be dissolved by the Division of Corporations by the close of business on September 28th.

To prevent the state from dissolving your corporation or LLC, you must file your Annual Report no later than September 21st using the state's Sunbiz system at **sunbiz.org**.

The state charges a mandatory \$400 late fee, making the filing fees \$550 for a corporation and \$538.75 for an LLC.

If you can't remember whether you have filed your company's Annual Report this year, you can check your company's status by visiting the Division of Corporations' website at **sunbiz.org**. Click on "Look up a Business" and search for your company's name.

While this is a requirement from the State of Florida, we can help walk you through the process. If you have questions, please call the FUBA offices at 800-262-4483 and ask for Karen or Lance.

MORE WORKERS WILL BE ELIGIBLE FOR OVERTIME PAY IN 2020

Federal law requires that all employees (with few exceptions) receive overtime pay at one and a half times the employee's regular rate of pay for hours they work beyond 40 in a workweek. Overtime is required for both hourly and salaried workers.

Employees with certain job duties can exempt out of overtime pay if they are paid at least \$455 per week (\$23,660 annually for a full-time

worker).

The most common exemptions from overtime pay are for executive employees, administrative employees, and professional employees. If an employee's job duties meet the specific tests for one of these exemptions and they are paid at least \$23,660 in salary a year, that employee can work overtime without getting overtime pay.

Starting January 1, 2020, employees not currently getting overtime pay under one of these exemptions will have to receive overtime if their salary is less than \$35,568.

On January 1st, the salary threshold for an employee to exempt out of overtime is increasing to \$684 per week or \$35,568 for a full-time worker. This means that employees who are paid a salary of less than \$35,568 a year (or \$684 a week) must be paid overtime for all hours over 40 they work in a given workweek.

This change will entitle many workers making more than the current salary threshold of \$23,660 to overtime pay and will be a big change for small businesses.

Employers will be able to count bonuses and incentive pay (including commission) to satisfy up to 10% of the new \$35,568 threshold.

Please note: It is a common misconception that employees who are paid on a salary basis are automatically exempt from overtime; this is not true. Employees on salary must be paid overtime, unless they make a certain amount and their job duties meet specific criteria.

If you have any questions about how this change will affect your business, please call our offices at 800-262-4483 and ask for Karen or Lance.

FREE SEMINARS ON WORKERS' COMP AND WORKPLACE SAFETY

The Florida Division of Workers' Compensation is continuing its series of free seminars on Florida's workers' compensation laws and

workplace safety. These seminars are available either in person or on-line via webinar.

Seminars are open to all business owners, licensed contractors, and employers. Continuing education units (CEU's) are available to contractors licensed by the Florida Department of Business & Professional Regulation.

Seminar topics include:

- Who is required to have workers' comp insurance
- Who is eligible to exempt out of workers' comp coverage
- Contractor responsibilities for workers' comp in Florida
- State enforcement of the workers' comp laws
- OSHA/Workplace Safety Inspections

Classroom Dates and Locations:

All seminars are from 9:00 a.m. to noon and cover both workers' compensation and workplace safety topics.

- Miami – November 5
- Tampa – November 12
- Orlando – December 3
- Tallahassee – December 18

Webinar Dates and Times:

Webinar sessions run from 2:00 p.m. to 3:00 p.m. (ET). Webinars cover either workers' compensation or workplace safety (not both).

Workers' Compensation Webinars:

- November 13
- December 4

Workplace Safety Seminars:

- October 17
- November 14
- December 5

Advance registration for all classes and webinars is required. The registration form is available from our website at **FUBA.org**.