

Please use the following most common payroll items as a general guideline for reporting payroll for workers' compensation. Make sure to check below for any exceptions (*) that apply in your state.

Report Total Gross Payroll Including:

- Vacation and Holiday Pay*
- Bonuses* and Commissions
- Sick Pay – not paid by a third-party administrator
- Employee contributions to a 401k, other deferred compensation plan, and Section 125 Cafeteria Plan*
- Auto Allowances* varies by state. Contact us for specific state questions
- The rental value of an apartment or house provided to an employee
- Market value of lodging received by an employee as part of their pay*
- Value of free meals provided by the employer*
- Travel or "Show Up" pay
- Davis Bacon wages or wages from similar state or local prevailing wage laws*
- Payments for hand tools provided by the employee, either directly or through a third party*

You May Exclude:

- The increased or excess portion of overtime:*
 - » $\frac{1}{3}$ of overtime when overtime is paid at 1.5 times the regular hourly rate
 - » $\frac{1}{2}$ of overtime when overtime is paid at 2 times the regular hourly rate
- Severance Pay*
- Charges for the personal use of company vehicles
- Davis Bacon or similar state or local prevailing wage fringe benefits paid to a third party administrator*
- Tips or Gratuities*
- Reimbursements for actual business expenses, to the extent they are substantiated in the payroll records
- Portion of an officer/partner salary in excess of the annual maximum, refer to Officers & Partners Annual Maximum Payrolls

*State Exceptions:

- **California:** Does not include the value of lodging or meals, except as specified in certain class codes or if provided in lieu of wages. Exclude employee contributions to a section 125 plan (other than contributions to pension or deferred compensation plans). Include prevailing wage vacation and holiday fringe benefits, even when paid to a third party administrator.
- **Delaware & Pennsylvania:** Do not allow for the exclusion of overtime. Tips are included up to federal minimum wage.
- **Nevada:** Does not allow for the exclusion of overtime, tips, gratuities, or severance pay. Payroll limitation of \$36,000 applies for all employees. You may report actual payroll up to the limitation and then discontinue reporting payroll for those employees.
- **New Jersey:** Includes gratuities except when specifically excluded by classification wording. Excludes pay at termination or retirement for unused personal or sick days. Excludes Davis Bacon wage fringe benefits paid either directly to an employee or through a third party administrator.
- **Texas:** Excludes safety awards paid in accordance with a written safety plan.

Other states with exceptions are: Alaska, Colorado, Delaware, Kansas, Kentucky, Louisiana, Maine, Mississippi, Montana, New Mexico, New York, Oklahoma, Oregon, South Dakota, Tennessee, Virginia and Wisconsin. If one of these states is included on your policy, please feel free to contact us at PremiumAudit@icwgroup.com for information on payroll inclusions/exclusions for workers' compensation or access our reporting FAQs at www.icwgroup.com/pc/payments/payroll-reporting.

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