

Department of Workforce Development
Worker's Compensation Division
Uninsured Employers Fund
201 E. Washington Ave., Rm. C100
P.O. Box 7901
Madison, WI 53707-7901
Telephone: (608) 266-3046
Fax: (608) 266-6827



WORKER'S COMPENSATION INSURANCE CANCELLATION ALERT

Example

Date: SEPTEMBER 19, 2019 (N)

WCRB #:
Policy #:
Policy Period:
FBIN:

Dear Employer:

This cancellation alert is being sent as a courtesy to bring the potential cancellation of your policy to your attention. The notice is for those employers who must have worker's compensation insurance and are in the process of renewing or replacing their policy. It is intended to help employers avoid penalties resulting from an illegal lapse in worker's compensation coverage by alerting them to the potential termination of their worker's compensation insurance.

No reply is necessary if you have paid or intend to pay your premium due, or if you have obtained or intend to obtain a worker's compensation insurance policy from another insurance carrier prior to the cancellation date of your current policy. Your payment must be received by the insurance carrier prior to the date due to ensure continuous worker's compensation insurance coverage. Worker's compensation insurance policies do not have grace periods for late payment.

Your current insurance carrier PHOENIX INSURANCE COMPANY has notified us that it intends to cancel your worker's compensation insurance policy, effective 10/18/19 at 12:01 a.m.. The reason given by your insurance carrier for the cancellation was NON-PAYMENT OF PREMIUM DUE.

Contact your insurance carrier or insurance agent for a detailed explanation or to ask any questions you have regarding the cancellation, your coverage, the renewal process or payments. If your policy has been renewed, reinstated, replaced, and/or is currently in force, disregard this cancellation alert.

The following penalty information is provided only to advise you about the potential cost of lapsed worker's compensation insurance coverage. The penalty for failure to carry worker's compensation insurance when required, is twice the amount of premium not paid during an uninsured time period or \$750, whichever is greater. Under certain circumstances, an employer who has a lapse in worker's compensation insurance coverage can be subject to a penalty of \$100 for each day they are uninsured up to 7 days. In addition, an uninsured employer is personally liable for reimbursement to the Uninsured Employers Fund for benefit payments made by the Fund under section 102.81(1) of the Wisconsin Statutes, to an injured employee (or the employee's dependents) of the uninsured employer. The penalties and reimbursements to the Fund are mandatory and non-negotiable.

A reply is necessary only if you are no longer an employer or feel you are no longer required to carry worker's compensation insurance coverage. If either situation applies to you, please provide the information requested on the back of this form and return it to the Worker's Compensation Division, P.O. Box 7901, Madison, WI 53707-7901. Take the time now to complete and return the form. The information is necessary for the Division to determine whether or not you are required to continue your worker's compensation insurance coverage.

Correspondence will continue until your insurance carrier notifies us that your insurance policy has been renewed, reinstated, replaced, or you notify us why you are no longer carrying worker's compensation insurance. If you have questions regarding the necessity to maintain your worker's compensation coverage, call (608) 266-3046.

If you are no longer an employer or feel you are no longer required to carry a worker's compensation insurance policy, please answer the questions below indicating why this business no longer carries worker's compensation insurance coverage. Please provide the information requested and return the form to the Worker's Compensation Division, P.O. Box 7901, Madison, WI 53707-7901 or fax it to (608) 266-6827. Please read the following information before answering questions 1 through 5.

- ▶ Sole proprietors, partners and members of limited liability companies are not counted as employees.
- ▶ Family members count as employees.
- ▶ Corporate officers count as employees.
- ▶ Minors count as employees.
- ▶ Part-time employees count as employees. Whether an employee works part-time or full-time has no bearing on the requirement to carry worker's compensation insurance.

IMPORTANT NOTE REGARDING SUBJECT EMPLOYERS: If an employer that is subject to the Worker's Compensation Act (Act) lays off all his or her employees, the employer may drop its worker's compensation insurance while they have no employees, however, the employer remains subject to the Act. Therefore, because the employer has already become subject to the Act, if the employer hires an employee at a later date, the employer must have a worker's compensation insurance policy in place on the date any employee begins working, unless the employer has withdrawn from the Act. (Corporations cannot withdraw from the provision of the Act, but may be eligible to file a Notice of Corporate Officer Option. See note below regarding corporations.)

NOTE REGARDING CORPORATION: A closely held corporation (defined as having 10 or fewer shareholders) that has 1 or 2 corporate officers and no other employees or officers, is not required to have a worker's compensation policy if each officer elects not to be subject to the Act by filing a *Notice of Corporate Officer Option* with the Division. If a closely held corporation has more than 2 officers or any other employee or employees, a worker's compensation insurance policy is required and the exclusion for officers must be made by an endorsement on the policy. An officer who so elects still counts as an employee and the officer's wages count, for the purpose of determining whether the corporation is an employer under s. 102.04(1)(b), Wis. Stats.

CALL US AT (608) 266-3046 if you are not sure whether or not you are subject to the Act or if you are not sure when you are required to have a worker's compensation insurance policy.

Personal information you provide may be used for secondary purposes [Privacy Law, s. 15.04(1)(m)].

<p>1. Has this business closed? <input type="checkbox"/> Yes <input type="checkbox"/> No If yes: On what date did it close? _____/_____/_____ Is the business closed permanently? <input type="checkbox"/> Yes <input type="checkbox"/> No Last date any employee worked: _____/_____/_____</p>	<p>2. Has this business been sold or transferred? <input type="checkbox"/> Yes <input type="checkbox"/> No If yes: Date the business sold or transferred: _____/_____/_____ Last date any employee worked for you: _____/_____/_____ Name of New Owner: _____ Street Address: _____ City: _____ State: _____ Zip Code: _____</p>
<p>3. Is this business a sole proprietorship, partnership or a limited liability company that is currently operating without any employees? <input type="checkbox"/> Yes <input type="checkbox"/> No If yes: Last date any employee worked: _____/_____/_____</p>	<p>4. Is this an out-of-state employer that no longer has any employees working in the State of Wisconsin? <input type="checkbox"/> Yes <input type="checkbox"/> No If yes: Last date any employee worked in Wisconsin: _____/_____/_____</p>
<p>5. Is this business a closely held corporation (defined as having 10 or fewer shareholders) with no more than 2 corporate officers and no other employees? <input type="checkbox"/> Yes <input type="checkbox"/> No If yes, you must file a Notice of Corporate Officer Option form with the Worker's Compensation Division. You may obtain the form on the division's web site at http://dwd.wisconsin.gov/dwd/forms/WKC/wkc_7602.htm or by calling (608) 266-3046. Return the completed form (with this cancellation alert) to the Worker's Compensation Division, P.O. Box 7901, Madison, WI 53707-7901 or fax the forms to (608) 266-6827.</p>	

Authorized Signature	Name Printed	
Title	Telephone Number ()	Date Signed

If you have any questions regarding your requirement to maintain worker's compensation insurance, please call (608) 266-3046.

Department of Workforce Development
 Worker's Compensation Division
 Bureau of Insurance Programs

FILE: _____

State of Wisconsin
WORKER'S COMPENSATION INSURANCE REQUIREMENTS
 Department of Workforce Development

EMPLOYER'S REPORT

October 14, 2019

BIP #:
 WCRB #:

**RE: WISCONSIN
 EMPLOYEES
 ONLY**

Example

Wisconsin's Worker's Compensation Act protects employees from undue hardship and employers from liability which may result from a job-related injury. That law requires most employers of Wisconsin workers to carry private worker's compensation insurance and to respond to our requests for information. The same law requires us to make sure that employers comply.

Please complete and return pages 1 & 2 of the following form to us within 15 days of receipt to comply with the laws regulating worker's compensation. The rest of this form will answer your questions about the purpose of the Worker's Compensation Act, conditions that make an employer liable, penalties for noncompliance, and special exemptions. Call us at (608) 266-3046 if you have any other questions. *Send the completed form within 15 days to:* Worker's Compensation Division, Bureau of Insurance Programs, P.O. Box 7901, Madison, WI 53707-7901

Personal information you provide may be used for secondary purposes [Privacy Law, s. 15.04(1)(m)]

1. Name by which your business is known	
2. Legal name, if different from 1	
3. Business street address	
City	State
Zip Code	
4. Telephone Number	5. Federal Employer Identification Number
6. How many employees do you now have working in Wisconsin? _____ <ul style="list-style-type: none"> • <i>Count</i> corporate officers, family members, minors and part-time employes • <i>Do not count</i> sole proprietors, partners, members of limited liability companies or domestic servants 	If you do not currently have any employees working in Wisconsin, what was the last date any employee worked for you in Wisconsin? Date: _____
7. How many employees do you usually have?	
8. Have you paid a combined total of \$500 or more in wages for work performed in Wisconsin during any calendar quarter (Jan - March; April - June; July - Sept; Oct - Dec)?	This year? <input type="checkbox"/> Yes <input type="checkbox"/> No Last year? <input type="checkbox"/> Yes <input type="checkbox"/> No
9. What is the nature of your business?	

WKC-53-2 (R. 07/2003)

(continued on page 2)

Worker's Compensation Division, Bureau of Insurance Programs
 201 East Washington Avenue, Room C100 (P.O. Box 7901), Madison, WI 53707-7901
 Telephone: (608) 266-3046 Fax: (608) 266-6827

State of Wisconsin
WORKER'S COMPENSATION INSURANCE REQUIREMENTS
Department of Workforce Development

EMPLOYER'S REPORT

BIP #: _____ WCRB #: _____

10. What type of ownership is your business? If other, please explain:		
<input type="checkbox"/> Sole Proprietorship	<input type="checkbox"/> Farm Operation	
<input type="checkbox"/> Partnership	<input type="checkbox"/> Other, please explain _____	
<input type="checkbox"/> Limited Liability Company		
<input type="checkbox"/> Corporation (If qualified, complete and return Corporate Officer Option Notice found on page 3. See page 4 for additional information.)		
11. Name the sole proprietor, partners, corporate officers, or members of a limited liability company.		
<u>Name and Title (please print)</u>		<u>Social Security Number:</u>
_____		_____
_____		_____
_____		_____
12. What insurance company currently provides your worker's compensation insurance coverage? <i>Attach a copy</i> of the Information Page or Declaration Page of your current worker's compensation policy.		
		Name of Insurance Company:

13. Policy Number:		14. Effective dates of the policy:
_____		_____
15. Name of your insurance agent or agency:		Telephone number of your insurance agent or agency:
_____		_____
16. Has your business closed? If yes, on what date did it close?		If yes, what is the last date any employee worked?
<input type="checkbox"/> Yes, date closed: _____ <input type="checkbox"/> No		Last date employee worked: _____
Is the business closed permanently?		Is the business seasonal? If yes, which months do you normally operate?
<input type="checkbox"/> Yes <input type="checkbox"/> No		<input type="checkbox"/> Yes _____ <input type="checkbox"/> No
17. Has your business been sold or transferred?		If yes, what date was your business sold or transferred?
<input type="checkbox"/> Yes <input type="checkbox"/> No		Date sold or transferred: _____
Provide the name and address of the person or organization who bought or received the transfer of your business:		
Name: _____		
Address: _____		
Authorized Signature		Title
_____		_____
Printed Name	Telephone Number	Date Signed
_____	_____	_____

Thank you for completing this form. *Please mail pages 1 & 2 to us within 15 days of receipt.* The pages that follow will answer most of your questions, but call us if we can help. We are the Worker's Compensation Division of the Wisconsin Department of Workforce Development at (608) 266-3046.

State of Wisconsin
WORKER'S COMPENSATION INSURANCE REQUIREMENTS
Department of Workforce Development

Corporate Officer Option

A closely held corporation having no more than two corporate officers and no other employees may elect not to be subject to the Wisconsin Worker's Compensation Act by completing the Corporate Officer Option Notice below. Attach the completed notice to the Employer's Report form on pages 1 & 2 and mail or fax it to us within 15 days.

Please see page 5 for a detailed explanation of the Corporate Officer Option Notice and the eligibility requirements to file one. If you have any questions about whether you qualify to file a Corporate Officer Option Notice, please call (608) 266-3046 before you complete and return this form.

CORPORATE OFFICER OPTION NOTICE

Federal Employer Identification Number
Corporation Name (Please Print)
Corporation Address
City, State, Zip Code

As an officer of the above named corporation I elect not to be subject to provisions of the Wisconsin Worker's Compensation Act until such election is rescinded by written notice to the Wisconsin Worker's Compensation Division or the corporation obtains a worker's compensation insurance policy. I understand that buying a policy will cancel this election.

The corporation has no other employees or corporate officers than those listed below.

Before any employee is hired, the corporation will obtain a worker's compensation policy. I also understand that the failure to obtain a worker's compensation insurance policy, if required by the Wisconsin Worker's Compensation Act, will result in a mandatory penalty assessed by the State of Wisconsin. The penalty for failure to carry worker's compensation insurance, if required, is twice the amount of premium not paid during an uninsured time period or \$750, whichever is greater. Under certain circumstances, an employer who has a lapse in worker's compensation insurance coverage can be subject to a penalty of \$100 for each day they are uninsured up to 7 days. (ss. 102.82(2)(a) and 102.82(2)(ag), Wis. Stats.)

Corporate Officer Name (Please Print)	Corporate Officer Name (Please Print)
Corporate Officer Signature	Corporate Officer Signature
Title	Title
Telephone Number	Telephone Number
Date Signed	Date Signed

State of Wisconsin
WORKER'S COMPENSATION INSURANCE REQUIREMENTS
Department of Workforce Development

As an employer, when am I required to carry worker's compensation insurance?

Under the Worker's Compensation Act (Act), you must carry worker's compensation insurance if you do any one of the following:

1. Usually employ three or more full-time or part-time employees. You must have insurance immediately upon employing a third person.
2. Employ one or more full-time or part-time employees to whom you have paid combined gross wages of \$500 or more in any calendar quarter for work done at one or more locations in Wisconsin. You must have insurance by the 10th day of the first month of the next calendar quarter.
3. If you are a farmer who employs 6 or more workers on the same day for any 20 days during the calendar year. You must have insurance by the 10th day after the 20th day of employment. A calendar year is January through December. Note: Some of your relatives may not count as employees. Call us at (608) 266-3046 to see whether you need to count all your relatives among your employees.

Must out-of-state employers carry Wisconsin worker's compensation insurance?

Yes, you must carry the insurance if you have employees working in Wisconsin. The policy must be with an insurance company licensed to write worker's compensation in Wisconsin and endorsed to name Wisconsin as a covered state in section 3-A. Your insurance company must file the properly endorsed policy with the Wisconsin Compensation Rating Bureau. The Bureau's mailing address is P.O. Box 3080, Milwaukee, Wisconsin 53201-3080. The telephone number is (262) 796-4540. The Bureau's internet address is <http://www.wcrb.org>

Who is considered an employee and covered by the Worker's Compensation Act?

Nearly all private and public employees in Wisconsin are considered employees and covered under the Act, including:

- Part-time employees. Whether an employee works part-time or full-time has no bearing on the requirement to carry worker's compensation insurance.
- Family members. An employee's relationship to the owner has no bearing on the requirement to carry worker's compensation insurance (except for certain relatives of a farmer).
- Minors. An employee's age has no bearing on the requirement to carry worker's compensation insurance.
- Corporate officers.

Who is not considered an employee under the Worker's Compensation Act?

The following are the only workers who are not considered employees under the Act. Call us if you are not sure.

- Domestic servants.
- Any person whose employment is not in the trade, business, profession or occupation of the employer.
- Some farm employees (certain relatives of a farmer).
- Sole proprietors, partners and members of limited liability companies.
- Qualified and certified members of certain religious sects.
- Volunteers of non-profit organizations receiving salary or in-kind compensation totaling not more than \$10 per week.
- Employees of Native American tribal enterprises (including casinos), unless the tribe elects to waive its sovereign immunity and voluntarily become subject to the Act.

All worker's compensation policies exclude sole proprietors, partners or members of limited liability companies unless there is a specific written endorsement to include them. Sole proprietors, partners and members of limited liability companies may voluntarily purchase worker's compensation insurance to cover their own work-related injuries and illnesses.

What about independent contractors?

Under the Act, a person is required to meet a nine-part test before he or she is considered an independent contractor rather than an employee. A person is not an independent contractor for worker's compensation purposes just because the person says they are, or because the contractor over them says so, or because they both say so, or even if other regulators (including the federal government and other state agencies) say so. The nine-part statutory test set forth under s. 102.07(8), Wis. Stats., must be met before a person working under another person is considered not to be an employee.

State of Wisconsin
WORKER'S COMPENSATION INSURANCE REQUIREMENTS
Department of Workforce Development

What about corporations and corporate officers?

All worker's compensation policies covering corporations include corporate officers. However, in a closely held corporation, defined as a corporation with not more than 10 shareholders, no more than 2 officers may exclude themselves from coverage. If the corporation has other employees, and/or officers, an insurance policy is required and the exclusion for officers must be made by endorsement on the worker's compensation policy. The name(s) of the officer(s) must be given. The exclusion will remain in effect for the policy period. Officers who are excluded will still be counted in determining whether the employer is subject to the Act under s. 102.04(1)(b), Wis. Stats.

If a closely held corporation has no more than 2 corporate officers and has no other employees, a worker's compensation policy is not required if both officers elect not to be subject to the Act by completing and filing with the Department a Corporate Officer Option Notice. **A qualified corporation must complete and return a copy of the Corporate Officer Option Notice found on page 3.** Attach the completed notice to the Employer's Report form on pages 1 & 2 and mail or fax it to us within 15 days. **Note:** A corporation with more than two corporate officers or any other employee or employees is not eligible to file a Corporate Officer Option Notice with the department and must obtain and/or maintain a worker's compensation insurance policy.

If I'm a new employer and I do not have worker's compensation insurance, what must I do?

A new employer without worker's compensation insurance is subject to penalties and closure action under s. 102.82(2)(a) & 102.28(4), Wis. Stats., if it fails to comply with the insurance requirements of the Act. If you are an employer under the Act and do not have a worker's compensation insurance policy, you must:

- **Obtain a worker's compensation policy within 12 days from the date this form was mailed.**
- Return the completed Employer's Report form to us within 15 days of receipt.
- Maintain coverage under your worker's compensation insurance policy.
- A closely held corporation with no more than 2 corporate officers and no other employees, must take one of the following actions **within 12 days** from the date this form was mailed: (1) obtain a worker's compensation policy or, (2) complete the Corporate Officer Option Notice found on page 3. Attach the notice to the Employer's Report form on pages 1 & 2 and mail or fax it to us within 15 days.

What penalties may I receive for not carrying worker's compensation insurance?

We must and do enforce mandatory penalties if an employer does not obtain and maintain a worker's compensation insurance policy when required to have one. If you do not comply, you risk one or all of the following:

- You are subject to a penalty of double the insurance premiums you should have been paying during the uninsured period, or \$750, whichever is greater. Under certain circumstances, you may be subject to a penalty of \$100 for each day you're uninsured up to 7 days. (ss. 102.82(2)(a) and 102.82(2)(ag), Wis. Stats.)
- You face closure of your business, including a suspension of all operations. (s. 102.28(4), Wis. Stats.)
- You are personally liable for uninsured benefit claims for which your injured employees are eligible. (s. 102.28(5), Wis. Stats.)

How do I obtain worker's compensation insurance?

To obtain worker's compensation insurance, contact an insurance company or its agent and ask whether the company writes worker's compensation insurance for Wisconsin. If you have or know an insurance agent, you may contact him or her. If you are refused insurance coverage by a company, you may obtain coverage from the Wisconsin Compensation Rating Bureau through the Worker's Compensation Insurance Pool upon prepayment of premium. The Wisconsin Compensation Rating Bureau is located at 20700 Swenson Drive, Suite 100, Waukesha, Wisconsin. The mailing address is P.O. Box 3080, Milwaukee, Wisconsin 53201-3080. The telephone number is (262) 796-4540. The Bureau's internet address is <http://www.wcrb.org>

Note: The Wisconsin Compensation Rating Bureau is *not* a State agency and is not part of the Wisconsin Worker's Compensation Division. The State of Wisconsin *does not* write or provide worker's compensation insurance coverage.

I currently have a worker's compensation policy. What can I do to help the Worker's Compensation Division update its records to show I have a policy?

Please attach a copy of the Information Page or Declaration Page of your current worker's compensation policy to the Employer's Report form found on pages 1 & 2 and mail or fax it to us within 15 days.

State of Wisconsin
WORKER'S COMPENSATION INSURANCE REQUIREMENTS
Department of Workforce Development

Once an employer is required to get a worker's compensation insurance policy, how long does the employer have to keep it?

Quite a while. Once an employer becomes subject to the Wisconsin Worker's Compensation Act (Act) under s. 102.04(1)(b), Wis. Stats., he or she remains subject to the Act unless the employer withdraws from the provisions of the Act under s. 102.05(1), Wis. Stats.

A subject employer is required to have a worker's compensation policy as long as he or she has one or more part-time or full-time employees. Even if a subject employer has only one part-time employee making less than \$500 per quarter, the employer must maintain the insurance for the remainder of that calendar year--and for the next calendar year--(a calendar year is January through December) before he or she is eligible to withdraw from being subject to the provisions of the Act.

If a subject employer lays off all his or her employees, the employer may drop their worker's compensation insurance while they have no employees, **however, the employer remains subject to the Act.** Therefore, because the employer has already become subject to the Act, **if the employer hires an employee at a later date, the employer must have a worker's compensation insurance policy in place on the date any employee begins working,** unless the employer has withdrawn from the Act.

Once a farmer is subject to the Act, the farmer is required to have a worker's compensation policy as long as he or she has one or more part-time or full-time employees. Even if a subject farmer has only one part-time employee, the farmer must maintain the insurance until he or she has gone a full calendar year without employing 6 or more employees on 20 or more days before he or she is eligible to withdraw from being subject to the provisions of the Act.

Note: Corporations can not withdraw from the provision of the Act. Closely held corporations (a corporation with not more than 10 stockholders) that have no more than two corporate officers and no other employees, may elect to exclude themselves from coverage under the Act by completing and filing with the Department a *Corporate Officer Option Notice*. A corporation with more than two corporate officers or any other employee is not eligible to file a Corporate Officer Option Notice and must obtain and/or maintain a worker's compensation insurance policy.

Call us at (608) 266-3046 if you are not sure whether or not you are subject to the Act or if you are not sure when you are required to have a worker's compensation policy.

As an employer, how do I benefit from the Wisconsin Worker's Compensation Act?

You receive benefits that can mean the difference between the success or failure of your business. If one of your employees gets hurt while working for you, you could be sued for damages, medical care, lost wages, and much more. By complying with the law and carrying appropriate worker's compensation insurance, you receive:

- Protection from most law suits brought by an employee because of a work-related illness or injury.
- Fair and prompt delivery of benefits to your employee who is injured on the job.
- Fair adjudication of disputes by a Worker's Compensation Division Administrative Law Judge.
- Fair and standard insurance premium rates approved by the Office of the Commissioner of Insurance.

Does my employee benefit from the Worker's Compensation Act?

If your employee does get hurt on the job, he or she can look to the worker's compensation system for prompt payment of benefits and fair adjudication of disputes.

I have additional questions regarding the requirement to obtain worker's compensation insurance. Who can I contact?

If you have questions regarding your obligation to obtain worker's compensation insurance, please write or call the Wisconsin Worker's Compensation Division, Bureau of Insurance Programs. Our mailing address is P.O. Box 7901, Madison, Wisconsin 53707-7901. Our telephone number is (608) 266-3046 or you can reach us by fax at (608) 266-6827. The Division's internet address is <http://www.dwd.state.wi.us/wc/>

DWD is an equal opportunity employer and service provider. If you have a disability and need information in an alternate format, or need it translated to another language, please contact (608) 266-1340 voice or 1-866-265-3142 TTY.

Tony Evers
Governor

Caleb Frostman
Secretary



WORKER'S COMPENSATION
P.O. Box 7901
Madison, WI 53707-7901
FAX: (608) 266-6827

State of Wisconsin
Department of Workforce Development

Example
to employer

October 16, 2019

BIP #:
WCRB #:

Dear Employer:

Your response to our recent inquiry indicated that you have no employees. You indicated only independent contractors and/or subcontractors work with you. Under section 102.07(8) of the Wisconsin Worker's Compensation Act, a person is required to meet a nine point test of independence before they can be considered an independent contractor rather than an employee.

I have included a copy of the Independent Contractor Definition on the reverse side of this letter. Please retain this information for future reference.

Please complete the attached *Questionnaire For Determining Whether An Individual Performing Services For Pays An Employee Or An Independent Contractor* to clarify how each independent contractor and/or subcontractor has met the nine point test of independence under section 102.07(8). Complete and submit a separate questionnaire for each independent contractor you are contracting with. You may make additional copies of the enclosed questionnaire.

Remember, to qualify as an independent contractor and not an employee, an individual must meet and maintain all nine points of the requirements. Be sure to provide a copy of the contract(s) signed by the independent contractor(s).

Please respond within 15 days of the date this letter was mailed.

Sincerely,



Denise Madigan-Doucette, Investigator - Worker's Compensation Division
Enforcement/Investigation Unit
(608) 267-0516 Fax # (608) 266-6827 denise.madigandoucette@dwd.wisconsin.gov

INDEPENDENT CONTRACTORS AND WORKER'S COMPENSATION IN WISCONSIN

Independent Contractor Definition s. 102.07(8)¹, Wis. Stats.

This is a nine part test which must be met before a person can be considered an independent contractor rather than an employee. To qualify as an independent contractor and not as an employee, a person must meet and maintain all nine of the following requirements:

1. Maintain a separate business.
2. Obtain a Federal Employer Identification number from the Federal Internal Revenue Service (IRS) **or** have filed business or self-employment income tax returns with the IRS based on the work or service in the previous year. (See note below.)
3. Operate under specific contracts.
4. Be responsible for operating expenses under the contracts.
5. Be responsible for satisfactory performance of the work under the contracts.
6. Be paid per contract, per job, by commission or by competitive bid.
7. Be subject to profit or loss in performing the work under the contracts.
8. Have recurring business liabilities and obligations.
9. Be in a position to succeed or fail if business expense exceeds income.

Note: When requesting a Federal Employer Identification Number (FEIN) from the IRS, you must inform the IRS that you are **required by Wisconsin Worker's Compensation law** to obtain a FEIN.

A social security number cannot be substituted for a FEIN and does not meet the legal burden of s. 102.07(8).

Except as provided in par. (b), every independent contractor is, for the purpose of this chapter, an employee of any employer under this chapter for whom he or she is performing service in the course of the trade, business, profession or occupation of such employer at the time of the injury.

(b) An independent contractor is not an employee of an employer for whom the independent contractor performs work or services if the independent contractor meets all of the following conditions:

1. Maintains a separate business with his or her own office, equipment, materials and other facilities.
2. Holds or has applied for a federal employer identification number with the federal internal revenue service or has filed business or self-employment income tax returns with the federal internal revenue service based on that work or service in the previous year.
3. Operates under contracts to perform specific services or work for specific amounts of money and under which the independent contractor controls the means of performing the services or work.
4. Incurs the main expenses related to the service or work that he or she performs under contract.
5. Is responsible for the satisfactory completion of work or services that he or she contracts to perform and is liable for a failure to complete the work or service.
6. Receives compensation for work or service performed under a contract on a commission or per job or competitive bid basis and not on any other basis.
7. May realize a profit or suffer a loss under contracts to perform work or service.
8. Has continuing or recurring business liabilities or obligations.
9. The success or failure of the independent contractor's business depends on the relationship of business receipts to expenditures.

(c) The department may not admit in evidence state or federal laws, regulations, documents granting operating authority or licenses when determining whether an independent contractor meets the conditions specified in par. (b) 1 or 3.

Business or Organization Name: _____

BIP Number: _____

WCRB Number: _____

Development

Wisconsin Department of Workforce

Worker's Compensation Division
 201 East Washington Avenue
 PO Box 7901
 Madison, WI 53707-7901
 FAX: (608) 266-6827

QUESTIONNAIRE FOR DETERMINING WHETHER AN INDIVIDUAL PERFORMING SERVICES FOR PAY IS AN EMPLOYEE OR AN INDEPENDENT CONTRACTOR

Personal Information you provide may be used for secondary purposes [Privacy Law, s. 15.04(1)(m)].

Name of Individual Providing Service		Work Telephone Number ()	
Social Security Number		Home Telephone Number ()	
Mailing Address of Individual		Street Address of Individual's Business (if different from mailing address)	
Is this address separate from the individual's home? <input type="checkbox"/> Yes <input type="checkbox"/> No		Is this address separate from the individual's home? <input type="checkbox"/> Yes <input type="checkbox"/> No	
Please describe the service provided by the individual.			
Services Performed From: (start date) _____ To: (end date) _____			
Amount Paid to Individual: 2016 \$ _____ 2017 \$ _____ 2018 \$ _____ 2019 \$ _____			

Under section 102.07(8) of the Wisconsin Statutes, an independent contractor is required to meet a nine point test to be considered an independent contractor rather than an employee. To qualify as an independent contractor and not as an employee of an employer for whom the independent contractor performs work or services in the course of the trade, business, profession or occupation of such employer, a person must meet and maintain all nine of the following requirements.

Describe in detail how the above named person meets and/or has met all of the following nine points of the independent contractor definition while providing services to you. Specifically address all nine points and attach documentation where requested. You may attach a separate sheet if additional space is necessary.

- Maintains a separate business with his or her own office, equipment, materials and other facilities. *Please describe where and what.*
- Holds or has applied for a federal employer identification number with the federal internal revenue service or has filed business or self-employment income tax returns with the federal internal revenue service based on that work or service in the pervious year.
It is mandatory that one of the two following conditions be met for an individual to be considered an independent contractor rather than an employee. (A social security number cannot be substituted for a FEIN and does not meet the legal burden of s. 102.07(8) of the Wisconsin Statutes.)

(a). The individual has a Federal Employer Identification Number (FEIN). The number is: _____ <input type="checkbox"/> does not have a FEIN <input type="checkbox"/> has applied for a FEIN on _____ (date)	(b). The individual filed a business or self-employment income tax return with the Federal Internal Revenue Service based on this type of work or service in the year prior to providing services to your firm. (e.g., Form1040 Schedule C, Schedule SE, Schedule F): <input type="checkbox"/> Yes <input type="checkbox"/> No <i>If yes, attach copies or other verifiable evidence.</i>
---	--

3. Operates under contracts to perform specific services or work for specific amounts of money and under which the independent contractor controls means of performing the services or work. *Attach copies of all contracts worked under while working for your firm.*

4. Incurs the main expenses related to the service or work that he or she performs under contract. *Please describe what and how.*

5. Is responsible for the satisfactory completion of work or services that he or she contracts to perform and is liable for a failure to complete the work or service. *Please describe how.*

6. Receives compensation for work or service performed under a contract on a commission or per job or competitive bid basis and not on any other basis.
 What was and/or is the basis of this individual's compensation from your firm?
 Commission Competitive Bid Piecework Hourly
 Per Job Lump Sum Salary Other _____
 At what intervals was and/or is this individual paid by your firm?
 Regular (Weekly, Bimonthly, etc.) Completion of Job After Customer Pays

7. May realize a profit or suffer a loss under contracts to perform work or service. *Please describe how.*

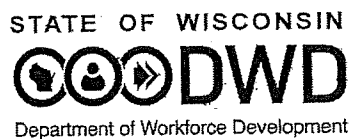
8. Has continuing or recurring business liabilities or obligations. *Please describe what and how.*

9. The success or failure of the independent contractor's business depends on the relationship of business receipts to expenditures. *Please describe how.*

Name of Person Completing This Questionnaire (Please Print)	Telephone Number ()	Fax Number ()
I certify that to the best of my knowledge and belief, the information provided in this form is true and correct. Signature	Date Signed	

Tony Evers
Governor

Caleb Frostman
Secretary



WORKER'S COMPENSATION
P.O. Box 7901
Madison, WI 53707-7901
FAX: (608) 266-6827

State of Wisconsin
Department of Workforce Development

October 16, 2019

BIP #:
WCRB #:

Example
to independent contractor

Dear _____ :

During a recent worker's compensation insurance compliance investigation of BIP TEST / DBA JOE'S GARAGE, it was determined that you may have received payment from this firm for services performed as an independent contractor. As part of our investigation, we need to verify your status as an independent contractor under the guidelines of Wisconsin's Worker's Compensation Law.

Please take a few moments to complete the enclosed *WORKER STATUS QUESTIONNAIRE*, and return this letter and the questionnaire to me using the enclosed self-addressed, postage paid envelope by _____

Thank you for your cooperation in this matter.

Sincerely,



Denise Madigan-Doucette, Investigator - Worker's Compensation Division
Enforcement/Investigation Unit
(608) 267-0516 Fax # (608) 266-6827 denise.madigandoucette@dwd.wisconsin.gov

Worker Status Questionnaire For Services Performed For The Firm: BIP TEST / DBA JOE'S GARAGE

BIP Number: 674-53-76
WCRB Number: 201-54-69

Personal Information you provide may be used for secondary purposes [Privacy Law, s. 105.04(1)(m)].

A1. Briefly describe the work you performed for this firm.
A2. What dates did you work for this firm? From: (start date) _____ To: (end date) _____
A3. Did you and/or do you consider yourself an independent contractor while performing services for this firm? <input type="checkbox"/> Yes <input type="checkbox"/> No If no, did you and/or do you consider yourself an employee of this firm while performing services for the firm? <input type="checkbox"/> Yes <input type="checkbox"/> No
A4. Were you in business as an independent contractor performing similar services prior to working for this firm? <input type="checkbox"/> Yes <input type="checkbox"/> No
A5. Do you perform similar services for other firms? <input type="checkbox"/> Yes <input type="checkbox"/> No

Under section 102.07(8) of the Wisconsin Statutes, a person is required to meet a nine point test before they can be considered an independent contractor rather than an employee. To qualify as an independent contractor and not as an employee, a person must *meet and maintain* all nine of the following requirements.

Please answer the following nine questions to clarify your status as an independent contractor under the nine point test of Wisconsin's worker's compensation law. Please answer all nine questions and attach documentation where appropriate. You may attach a separate sheet if additional space is necessary. Thank you for your cooperation in this matter.

1. Did you and/or do you maintain a separate business with your own office, equipment, materials and other facilities? <i>If yes, please describe where and what.</i> <input type="checkbox"/> Yes <input type="checkbox"/> No
2. Do you hold or have you applied for a federal employer identification number with the federal internal revenue service <u>or</u> have you filed business or self-employment income tax returns with the federal internal revenue service based on this work or service in the year prior to working for this firm? (e.g., Form 1040 Schedule C, Schedule SE, Schedule F) <input type="checkbox"/> Yes <input type="checkbox"/> No <i>If yes, please answer the following questions and attach documentation where appropriate.</i>
A. Do you have a Federal Employer Identification Number? <input type="checkbox"/> Yes <input type="checkbox"/> No If yes, the number is _____
If no, have you applied for a FEIN? <input type="checkbox"/> Yes <input type="checkbox"/> No If yes, date applied _____
B. Have you filed business tax returns with the Internal Revenue Service based on this work or services? <input type="checkbox"/> Yes <input type="checkbox"/> No <i>If yes, for which of the following years did you file a business tax return with the IRS?</i> <input type="checkbox"/> 2016 <input type="checkbox"/> 2017 <input type="checkbox"/> 2018 <i>Please attach copies of your 2016, 2017 & 2018 Schedule C as appropriate.</i>
3. Did you and/or do you operate under contracts to perform specific services or work for specific amounts of money and under which you control the means of performing the services or work while working for this firm? <i>If yes, attach copies of the contracts you worked under while working for this firm.</i> <input type="checkbox"/> Yes <input type="checkbox"/> No

4. Did you and/or do you incur the main expenses related to the service or work that you perform and/or performed under contract while working for this firm?
If yes, please describe what and how. Yes No

5. Were you and/or are you responsible for the satisfactory completion of work or services that you contracted to perform?
 Were and/or are you liable to complete the work or service while working for this firm?
If yes to either, please describe how. Yes No
 Yes No

6. Did you and/or do you receive compensation for work or service performed under a contract on a commission or per job or competitive basis and not on any other basis while working for this firm?
 Yes No
 What was and/or is the basis of your compensation from this firm?
 Commission Competitive Bid Piecework Hourly
 Per Job Lump Sum Salary Other _____
 At what intervals were and/or are you paid by this firm?
 Regular (Weekly, Bimonthly, etc.) Completion of Job After Customer Pays

7. Did you and/or do you realize a profit or suffer a loss under a contract to perform work or service while working for this firm?
If yes, please describe which and how. Yes No

8. Did you and/or do you have continuing or recurring business liabilities or obligations?
If yes, please describe what and how. Yes No

9. Did and/or does the success or failure of your business depend on the relationship of business receipts to expenditures?
If yes, please describe how. Yes No

Please add any additional comments you may have.

Name (Please Print Full Name)	Social Security Number	
Signature	Date Signed	Telephone Number ()

Date: 10/12/2019

Employer Number:

Account Number:

Lapse Period:

Example

Penalty Notification

Department of Workforce Development
Division of Worker's Compensation

Pursuant to section 102.82 of the Wisconsin Statutes, you are being assessed a penalty for a lapse in Worker's Compensation insurance coverage. As an employer subject to the Wisconsin Worker's Compensation Act (Chapter 102 of the Wisconsin Statutes), you were legally required to have valid Worker's Compensation insurance in force during the lapse period.

Wisconsin law provides that employers who are subject to the Worker's Compensation Act (s. 102) must carry Worker's Compensation insurance or be subject to fines levied by the State of Wisconsin. These fines are mandatory and the law is not open to any flexibility or interpretation.

You were notified of the apparent lapse in coverage, but we have no record of you being insured during the lapse period. The Worker's Compensation Act provides serious penalties for being uninsured. Section 102.82(2)(a) requires that all uninsured employers shall pay to the Department (DWD) the greater of \$750.00 or twice the amount of premium the employer should have paid while uninsured. Under certain circumstances, an employer who has a lapse in Worker's Compensation coverage can be subject to a penalty of \$100.00 for each day they are uninsured up to seven (7) days (s. 102.82(2)(ag)).

Payment of this penalty is due 30 days from the date of this notification. To avoid collection proceedings, you are required to complete one of the options below within **30 DAYS** of the date of this notification:

Payment in full in the amount of \$750.00

Installment payments:

Please indicate the amount of your proposed monthly payment, \$ _____

Your first payment must be enclosed.

Installment payments are submitted monthly by the 1st of each month. Proposed payment agreements exceeding four (4) months in length are subject to Department approval; contact one of the Collection Specialists below.

1) Make payment online at: <https://dwd.wisconsin.gov/epaywc>

or

2) Submit payment with this notification to:

DWD – Worker's Compensation
P.O. Box 7948
Madison, WI 53707

Include your employer number on your check.

Continued failure to insure results in the penalty increasing and additional penalties that can reach \$100.00 PER DAY for every day without insurance, plus any additional court imposed penalties.

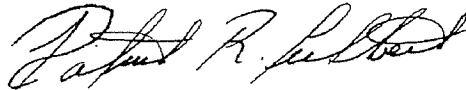
Failure to pay the penalty will result in a 1% interest charge per month on the unpaid portion of the penalty and may result in judicial action to collect the penalty. Judicial action may include (but is not limited to) a warrant placing a lien on all real and personal property, a garnishment action, levy, forced seizure and sale of real or personal property at a sheriff's auction and attachment of any income tax refund, lottery winnings or state contracts for which you may be eligible to secure satisfaction of this liability.

Please pay the amount shown on the enclosed account statement promptly to avoid interest, additional charges and costly legal action. Continued or future lapses of Worker's Compensation insurance coverage will subject you to closure proceedings (s. 102.28(4)).

If you have questions concerning this notice, please contact one of the Specialists below.



Jean Culbert
Deputy Collector
(608) 266-6898



Patrick Culbert
Deputy Collector
(608) 266-5459



Aaron Galarowicz
Deputy Collector
(608) 267-2396

Department of Workforce Development
Division of Worker's Compensation
P.O. Box 7948
Madison, WI 53707
Fax: (608) 266-6827



E-Payment URL: <https://dwd.wisconsin.gov/epaywc>

Tony Evers, Governor
Caleb Frostman, Secretary

Statement Date: 10/15/2019
Employer Number:
Amount Due:

Example

Account Statement

Payment Options:

- Free online payment at <https://dwd.wisconsin.gov/epaywc>
- Mail payments to:
DWD - Worker's Compensation
P.O. Box 7948
Madison, WI 53707

Checks payable to: Worker's Compensation UEF (include your employer number)

Employer Number:

PENALTY ACCOUNT(S):

ACCOUNT NUMBER:

LAPSED PERIOD: 9/10/2018 - 1/31/2019

STATEMENT #: 1

DATE	DESCRIPTION	REF NUMBER	AMOUNT	BALANCE DUE
10/15/2019	INITIAL BALANCE			\$750.00
10/15/2019	AMOUNT DUE FOR THE ACCOUNT:			\$750.00
10/15/2019	Total Amount Due for All Account(s):			\$750.00

Keep the prior page(s) for your records.

Free Online Payment Option

Pay Your Uninsured Employers Fund Assessment Online
Quick - Convenient - No Service Fees

Go to: <https://dwd.wisconsin.gov/epaywc>

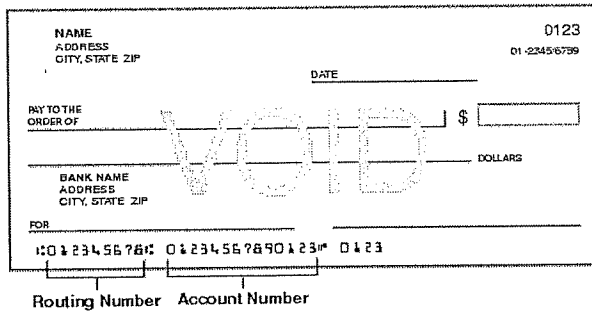
Uninsured Employers Payments Online

The Department of Workforce Development – Uninsured Employers Fund (UEF) offers the option of paying Uninsured Employers Fund assessments using E-Checks via the Internet.

- No additional cost
- You can print a receipt of your payment
- It's available 24 hours a day, seven days a week

What information will I need to pay online?

- Employer Number
- Your Bank's Routing Number (This is a nine digit number that identifies your bank. The routing number appears as the first group of numbers at the bottom of your check.)
- Your Checking Account Number (This is the second group of numbers at the bottom of your check.)
Be careful not to include the check number, which is the last group of numbers at the bottom of a check.



Can I pay by credit card?

No, we can't accept credit card payments. Payments must be made through a checking account.

Remittance

Return this portion with your check to:
Worker's Compensation
P.O. Box 7948
Madison, WI 53707

Make check payable to Worker's Compensation UEF

Amount Enclosed:

\$

Employer Number:

Employer Name:

Please note your employer number on the check.

If you have multiple accounts and you want the payment applied to a specific account, please indicate below the account number in which you want the payment applied.

Apply the payment to Employer Account Number:

If you have questions, call any of the contacts below:

Jean Culbert
(608) 266-6898

Patrick Culbert
(608) 266-5459

Aaron Galarowicz
(608) 267-2396

Example

Employer Number:
Account Number:

PAST DUE NOTICE

Dear Employer:

Our records indicate you have not made satisfactory arrangements to pay your liability in the amount of _____ This liability was assessed under section 102.82 of the Wisconsin Statutes for failure to carry Worker's Compensation insurance as required by law.

Your account is therefore PAST DUE and requires you to make payment immediately.

Failure to respond to this notice will be considered acknowledgement that you do not intend to pay this debt and judicial action will be required to secure payment. Judicial action may include (but is not limited to) a warrant placing a lien on all real and personal property, a garnishment action, levy, forced seizure and sale of real or personal property at a sheriff's auction and attachment of any income tax refund, lottery winnings or state contracts for which you may be eligible to secure satisfaction of this liability.

To avoid these collection proceedings, we expect you to complete one of the options below within **10 DAYS** of the date of this letter:

1. Pay in full online at: DWD.Wisconsin.gov/epaywc
2. Request installment payments online: **Your first payment must be submitted online at the time of the request.** Make your request for a payment plan in the Comments Section of the online payment website.
3. Submit payment in full in the amount of _____
4. Request installment payments:
Please indicate the amount of your proposed monthly payment, \$ _____.
Your first payment must be enclosed.

*Installment payments are submitted monthly on the 1st of each month. Proposed payment agreements exceeding four (4) months in length are subject to Department approval; contact one of the Collection Specialists below.

For options 3 and 4, mail payment with this letter to the address provided below:

DWD – Worker's Compensation
P.O. Box 7948
Madison, WI 53707-7948

Include your employer number on your check.

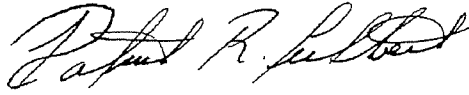
In the case of a non-response, the Wisconsin Worker's Compensation Division will initiate the filing of a warrant against you with the clerk of circuit court in your county to secure satisfaction of this liability.

NO FURTHER NOTICES WILL BE SENT.

If you have questions concerning this notice, please contact one of the Specialists below.



Jean Culbert
Deputy Collector
(608) 266-6898



Patrick Culbert
Deputy Collector
(608) 266-5459



Aaron Galarowicz
Deputy Collector
(608) 267-2396

10/10/2019

Employer Number:

Example

Warrant Docketed Notice Department of Workforce Development Division of Worker's Compensation

You have previously been notified of an unpaid liability to the Department of Workforce Development, Division of Worker's Compensation in the amount of \$10,898.20. This liability was assessed under section 102.82 of the Wisconsin Statutes for failure to carry Worker's Compensation Insurance as required by law.

The following warrant(s) placing a lien on all of your real and personal property have been docketed with the County Clerk of Courts: PIERCE, ST CROIX

Additional legal action to collect this debt will be taken without further notification unless this liability is paid within 10 days of the date of this letter. Legal action may include (but is not limited to) a garnishment action, levy, forced seizure and sale of real or personal property at a sheriff's auction and attachment of any income tax refund, lottery winnings or state contracts for which you may be eligible to secure satisfaction of this liability.

We therefore expect you to select one of the payment options listed below and return it with payment within **10 days** from the date of this letter.

Payment in full in the amount of \$10,898.20

Installment payments

Please indicate the amount of your proposed monthly payment, \$ _____.

Your first payment must be enclosed.

Installment payments are submitted monthly on the 1st each month. Proposed payment agreements exceeding four (4) months in length are subject to Department approval; contact one of the Collection Specialists below.

1) Make payment online at <https://dwd.wisconsin.gov/epaywc>

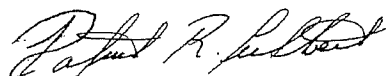
or

2) Submit payment with this letter to the address provided below.

Return payments with this notice to: DWD – Worker's Compensation
P.O. Box 7948
Madison, WI 53707

Include your employer number on your check.


To avoid further collection action, submit payment as indicated above. If you have questions concerning this notice, please contact one of the Specialists below.



Patrick Culbert
Deputy Collector
(608) 266-5459



Aaron Galarowicz
Deputy Collector
(608) 267-2396



Jean Culbert
Deputy Collector
(608) 266-6898

October 10, 2019

Example

Notice of Intent to Certify Debt Department of Workforce Development Division of Worker's Compensation

Employer Number:

Pursuant to section 71.93, Wis. Stats., you are hereby notified that the Wisconsin Department of Workforce Development – Division of Worker's Compensation (DWD-WC) intends to certify to the Wisconsin Department of Revenue (DOR) that you are indebted to DWD-WC for assessments issued under section 102.82, Wis. Stats., for failure to have Worker's Compensation Insurance as required by law, as follows:

Warrant Number:

Date Issued: 10/10/2019
County(ies): PIERCE, ST CROIX
Assessment: \$10,408.28
Interest: \$416.32
Legal Fees: \$73.60
Total Due: \$10,898.20

The purpose of the certification is to make a claim for the total due DWD-WC against refunds, overpayments, lottery payments, or vendor payments owed you by the Wisconsin Department of Revenue or Wisconsin Department of Administration.

- If your debt is not satisfied by the time you file your Wisconsin State Income Tax Return, all or part of your refund may be intercepted to pay your debt.
- If your debt is not satisfied and you win a lottery prize, all or part of your winnings may be intercepted to pay your debt.
- If your debt is not satisfied by the time the Department of Administration disburses vendor payments for work performed for the state, your vendor payment may be intercepted to pay your debt.

Any remaining amount that is due to you will be delayed an additional 4-8 weeks on top of normal processing time.

You have the opportunity to satisfy the debt with any of the following payment options below. Your debt will remain certified to the Wisconsin Department of Revenue until the debt is paid in full.

Payment in full in the amount of \$10,898.20

Installment payments:

Please indicate the amount of your proposed monthly payment, \$_____.

Your first payment must be enclosed.

Installment payments are submitted monthly by the 1st of each month. Proposed payment agreements exceeding four (4) months in length are subject to Department approval, contact one of the Collection Specialists below.

1) Make payment online at: <https://dwd.wisconsin.gov/epaywc>

or

2) Submit payment with this notice to:

DWD – Worker's Compensation
P.O. Box 7948
Madison, WI 53707

Include your employer number on your check.

You have the right to appeal this action. However, appeal is limited to questions of prior payment of the debt that the department is proceeding against and mistaken identity of the uninsured employer (s. 102.835(19), Wis. Stats.).

An appeal must be made in writing, must state the specific grounds for the objection, and must be postmarked within 14 days after the mailing date of this notice to the Wisconsin Division of Worker's Compensation, P.O. Box 7948, Madison, WI 53707.

If you have questions concerning this notice, please contact one of the Specialists below.



Aaron Galarowicz
Deputy Collector
(608) 267-2396



Patrick Culbert
Deputy Collector
(608) 266-5459



Jean Culbert
Deputy Collector
(608) 266-6898

October 10, 2019

Example

Notice of Legal Action Department of Workforce Development Division of Worker's Compensation

Employer Number: _____

Our records indicate you have not paid your delinquent liabilities in the amount of \$5,631.30 for worker's compensation penalties and/or injury reimbursement assessments issued under sec. 102.82 of the Wisconsin Statutes by the State of Wisconsin, Division of Worker's Compensation for failure to carry Worker's Compensation insurance as required by law.

A warrant placing a lien on all of your real and personal property has been docketed covering the liability in the County(ies) of MILWAUKEE.

Additional legal action to collect this debt will be taken without further notification unless this liability is paid within 10 days of the date of this letter.

We therefore expect you to select one of the payment options listed below and return this notice and payment within **10 days** from the date of this letter.

Payment in full in the amount of \$5,631.30

Installment payments

Please indicate the amount of your proposed monthly payment, \$_____.
Your first payment must be enclosed.

Installment payments are submitted monthly by the 1st of each month. Proposed payment agreements exceeding four (4) months in length are subject to Department approval; contact one of the Collection Specialists below.

1) Make payment online at <https://dwd.wisconsin.gov/epaywc>

or

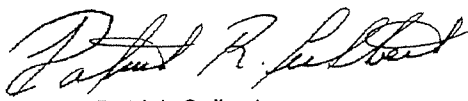
2) Submit payment with this notice to:

DWD – Worker's Compensation
P.O. Box 7948
Madison, WI 53707

Include your employer number on your check.

If you do not respond as requested, we will proceed with legal action to collect the debt. Additional legal actions may include (but are not limited to) a garnishment action, levy, forced seizure and sale of real or personal property at a sheriff's auction and attachment of any income tax refund, lottery winnings or state contracts for which you may be eligible to secure satisfaction of this liability.

To avoid this action, submit payment as indicated above. If you have questions concerning this notice, please contact one of the Specialists below.



Patrick Culbert
Deputy Collector
(608) 266-5459



Aaron Galarowicz
Deputy Collector
(608) 267-2396



Jean Culbert
Deputy Collector
(608) 266-6898

10/10/2019

Example

Notice of Levy Action

Department of Workforce Development
Division of Worker's Compensation

In reply please refer to employer number:

You are hereby notified that a levy has been issued pursuant to section 102.835, Wisconsin Statutes which attaches any of your personal property in the possession of or under control of ASSOCIATED BANK, NA.

This levy action is being taken to collect liabilities assessed by the State of Wisconsin, Department of Workforce Development, Division of Worker's Compensation for failure to carry Worker's Compensation insurance as required by law.

The present amount due is \$1,052.82, which includes penalties and/or reimbursement assessments, interest and legal costs computed to date. Interest will continue to accrue on the principal portion of this debt at the rate of 1% per month until paid.

The levy is effective from the time the levy is first served on the above named third party until the liability out of which the levy arose is satisfied, until the levy is released or until one year from the date of the service, whichever occurs first.

No Property is Exempt From This Levy.

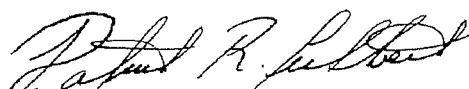
You have the right to appeal this levy proceeding; however, your appeal is limited to (1) questions of prior payment of the debt or (2) mistaken identity. THE LEVY IS NOT STAYED PENDING APPEAL. If you want to appeal, your request for hearing must:

1. Be filed (delivered to and received by the Department or postmarked) not later than 21 days after the mailing date of this notice; and,
2. Be made in writing and specify whether you're appealing on the basis of (1) or (2) above and specify the reasons why you object to this notice; and,
3. Be filed with DWD - Worker's Compensation, Collections Section, P.O. Box 7948, Madison, Wisconsin 53707.

If you have any questions concerning this notice, please contact one of the Specialists below.



Aaron Galarowicz
Deputy Collector
(608) 267-2396



Patrick Culbert
Deputy Collector
(608) 266-5459



Jean Culbert
Deputy Collector
(608) 266-6898

Department of Workforce Development
Division of Worker's Compensation
P.O. Box 7948
Madison, WI 53707
Fax: (608) 266-6827



Tony Evers, Governor
Caleb Frostman, Secretary

E-Payment URL: <https://dwd.wisconsin.gov/epaywv>

10/10/2019

ASSOCIATED BANK, NA
PO BOX 19097
MS 7023
GREEN BAY WI 54307

Notice of Levy: Non-Wage
Department of Workforce Development
Division of Worker's Compensation

Re: Debtor Name:
Employer Number:
Debtor SSN:

To Whom It May Concern:

You are hereby required, within forty-five (45) days after service of this levy upon you, to answer whether you are indebted to or have in your possession or under your control any personal property belonging to the above named debtor.

The debtor is indebted to the Wisconsin Department of Workforce Development, Division of Worker's Compensation, upon a warrant (judgment) for failure to carry Worker's Compensation insurance as required by law. The present amount due is \$1,052.82, which includes penalties and/or reimbursement assessments, interest and legal costs computed to date.

If you are indebted to or possess earnings or other property belonging to the debtor, you are ordered to retain and surrender a quantity sufficient to satisfy the debt to the Department of Workforce Development, Division of Worker's Compensation, by check payable to the Worker's Compensation – Uninsured Employers Fund. Include the debtor's employer number, _____, on all payments. The check should be sent to: DWD, Worker's Compensation, Collections Section, P.O. Box 7948, Madison, WI 53707.

No Property is Exempt From This Levy.

The levy is effective from the time the levy is first served on you until the liability out of which the levy arose is satisfied, until the levy is released or until one year from the date of service, whichever occurs first.

You are entitled to a levy fee of \$5.00 for each levy if there is property to retain. If the property retained is money, you may deduct the fee from the proceeds of the levy.

If you fail to surrender any property or rights to property subject to levy, upon demand of the Department, you will be subject to proceedings to enforce this levy.

If you have any questions concerning this notice, please contact one of the Specialists below.

Handwritten signature of Aaron Galarowicz in black ink.

Aaron Galarowicz
Deputy Collector
(608) 267-2396

Handwritten signature of Patrick R. Culbert in black ink.

Patrick Culbert
Deputy Collector
(608) 266-5459

Handwritten signature of Jean M. Culbert in black ink.

Jean Culbert
Deputy Collector
(608) 266-6898

Department of Workforce Development
 Division of Worker's Compensation
 P.O. Box 7948
 Madison, WI 53707
 Fax: (608) 266-6827

STATE OF WISCONSIN



Department of Workforce Development

Tony Evers, Governor
 Caleb Frostman, Secretary

E-Payment URL: <https://dwd.wisconsin.gov/epaywc>

10/10/2019

ASSOCIATED BANK, NA
 PO BOX 19097
 MS 7023
 GREEN BAY WI 54307

Third Party Levy Answer: Non-Wage

Department of Workforce Development
 Division of Worker's Compensation

Re: Debtor Name:
 Employer Number:
 Debtor SSN:

Third Party to Levy – Complete All Sections Below:

A.

Third Party to Levy was served with this levy on: →	Month	Day	Year	Time: <input type="checkbox"/> AM <input type="checkbox"/> PM
---	-------	-----	------	--

B. At the time and date of levy, the Third Party had in its possession or was obligated with respect to property or rights to property of the debtor subject to levy as follows:

1. If none, check here ; or

2. _____

Amount withheld	\$ _____
Less Third Party Levy fee (see reverse side)	\$ _____
NET RETAINED ▶ ▶ ▶	\$ _____

With respect to the net amount withheld, the Third Party to Levy should enclose a check payable to the Worker's Compensation – Uninsured Employers Fund. Include the debtor's employer number, _____, on all payments. (See reverse side.)

Third Party acknowledges that the levy is effective from the time the levy is first served on the Third Party until the liability out of which the levy arose is satisfied, until the levy is released or until one year from the date of service, whichever occurs first.

Net withheld levy amounts for future property of the debtor in the Third Party's possession should be sent to the State of Wisconsin – Division of Worker's Compensation, by check payable to the Worker's Compensation – Uninsured Employers Fund on a monthly basis. Include the debtor's employer number, _____, on all payments. (See reverse side.)

C.

Signature of Third Party or Representative		Date Signed	
Name and Title of Third Party or Representative (please print)		Telephone Number	
Street Address	City	State	Zip Code

Third Party \$5.00 Levy Fee - Section B

Under section 102.835(20) you are entitled to a one-time levy fee of \$5.00 if property is secured through the levy. We have not included the \$5.00 fee in the amount due the Department from the debtor. If the property you are holding for the debtor is less than what the debtor owes the Department, deduct your \$5.00 levy fee from your first payment to the Department. If the property you are holding for the debtor is greater than what the debtor owes the Department, pay the Department the full amount stated on the levy and deduct your \$5.00 levy fee from the additional property.


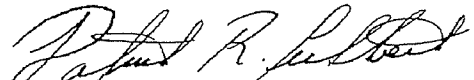

EXAMPLES	1. Levy Amount	2. You Hold	3. You Pay the Department
	A. \$1000	\$ 950	\$ 950 - \$5 = \$945
	B. \$1000	\$1500	\$1000
	C. \$1000	\$1002	\$1002 - \$5 = \$997

Payment Information - Section B

All payments should be made in the form of a check payable to Worker's Compensation – Uninsured Employers Fund. Include the debtor's employer number on all payments.

Send payments to: DWD – Workers Compensation
Collections Section
P.O. Box 7948
Madison, WI 53707

If you have questions concerning this notice, please contact one of the Specialists below.

		
Aaron Galarowicz Deputy Collector (608) 267-2396	Patrick Culbert Deputy Collector (608) 266-5459	Jean Culbert Deputy Collector (608) 266-6898

Information Sheet for Third Party

This sheet outlines s. 102.835 of the Wisconsin Statutes in its entirety. This information may be useful to you in complying with the levy.

Section 102.835 Levy for delinquent payments.

(1) DEFINITIONS. In this section:

- (a) "Debt" means a delinquent payment.
- (ad) "Debtor" means an uninsured employer or an individual found personally liable under s. 102.83(8) who owes the department a debt.
- (d) "Levy" means all powers of distraint and seizure.
- (e) "Payment" means a payment owed to the department under s. 102.82 and includes interest on that payment.
- (f) "Property" includes all tangible and intangible personal property and rights to that property, including compensation paid or payable for personal services, whether denominated as wages, salary, commission, bonus or otherwise, amounts paid periodically pursuant to a pension or retirement program, rents, proceeds of insurance and amounts paid pursuant to a contract.

(2) POWERS OF LEVY AND DISTRAINT. If any debtor who is liable for any debt fails to pay that debt after the department has made demand for payment, the department may collect that debt and the expenses of the levy by levy upon any property belonging to the debtor. If the value of any property that has been levied upon under this section is not sufficient to satisfy the claim of the department, the department may levy upon any additional property of the debtor until the debt and expenses of the levy are fully paid.

(3) DUTIES TO SURRENDER. Any person in possession of or obligated with respect to property or rights to property that is subject to levy and upon which a levy has been made shall, upon demand of the department, surrender the property or rights or discharge the obligation to the department, except that part of the property or rights which is, at the time of the demand, subject to any prior attachment or execution under any judicial process.

(4) FAILURE TO SURRENDER; ENFORCEMENT OF LEVY.

(a) Any debtor who fails to surrender any property or rights to property that is subject to levy, upon demand by the department, is subject to proceedings to enforce the amount of the levy.

(b) Any 3rd party who fails to surrender any property or rights to property subject to levy, upon demand of the department, is subject to proceedings to enforce the levy. The 3rd party is not liable to the department under this paragraph for more than 25 percent of the debt. The department shall serve a final demand as provided under sub. (13) on any 3rd party who fails to surrender property. Proceedings may not be initiated by the department until 5 days after service of the final demand. The department shall issue a determination under s. 102.82 to the 3rd party for the amount of the liability.

(c) When a 3rd party surrenders the property or rights to the property on demand of the department or discharges the obligation to the department for which the levy is made, the 3rd party is discharged from any obligation or liability to the debtor with respect to the property or rights to the property arising from the surrender or payment to the department.

(5) ACTIONS AGAINST THIS STATE. (a) If the department has levied upon property, any person, other than the debtor who is liable to pay the debt out of which the levy arose, who claims an interest in or lien on that property, and who claims that that property was wrongfully levied upon may bring a civil action against the state in the circuit court for Dane County. That action may be brought whether or not that property has been surrendered to the department. The court may grant only the relief under par. (b). No other action to question the validity of or to restrain or enjoin a levy by the department may be maintained.

(b) In an action under par. (a), if a levy would irreparably injure rights to property, the court may enjoin the enforcement of that levy. If the court determines that the property has been wrongfully levied upon, it may grant a judgment for the amount of money obtained by levy.

(c) For purposes of an adjudication under this subsection, the determination of the debt upon which the interest or lien of the department is based is conclusively presumed to be valid.

(6) DETERMINATION OF EXPENSES. The department shall determine its costs and expenses to be paid in all cases of levy.

(7) USE OF PROCEEDS.

(a) The department shall apply all money obtained under this section first against the expenses of the proceedings and then against the liability in respect to which the levy was made and any other liability owed to the department by the debtor.

(b) The department may refund or credit any amount left after the applications under par. (a), upon submission of a claim for a refund or credit and satisfactory proof of the claim, to the person entitled to that amount.

(8) **RELEASE OF LEVY.** The department may release the levy upon all or part of property levied upon to facilitate the collection of the liability or to grant relief from a wrongful levy, but that release does not prevent any later levy.

(9) **WRONGFUL LEVY.** If the department determines that property has been wrongfully levied upon, the department may return the property at any time, or may return an amount of money equal to the amount of money levied upon.

(10) **PRESERVATION OF REMEDIES.** The availability of the remedy under this section does not abridge the right of the department to pursue other remedies.

(11) **EVASION.** Any person who removes, deposits or conceals or aids in removing, depositing or concealing any property upon which a levy is authorized under this section with intent to evade or defeat the assessment or collection of any debt is guilty of a Class I felony and shall be liable to the state for the costs of prosecution.

(12) **NOTICE BEFORE LEVY.** If no proceeding for review permitted by law is pending, the department shall make a demand to the debtor for payment of the debt which is subject to levy and give notice that the department may pursue legal action for collection of the debt against the debtor. The department shall make the demand for payment and give the notice at least 10 days prior to the levy, personally or by any type of mail service which requires a signature of acceptance, at the address of the debtor as it appears on the records of the department. The demand for payment and notice shall include a statement of the amount of the debt, including costs and fees, and the name of the debtor who is liable for the debt. The debtor's failure to accept or receive the notice does not prevent the department from making the levy. Notice prior to levy is not required for a subsequent levy on any debt of the same debtor within one year after the date of service of the original levy.

(13) **SERVICE OF LEVY.**

(a) The department shall serve the levy upon the debtor and 3rd party by personal service or by any type of mail service which requires a signature of acceptance.

(b) Personal service shall be made upon an individual, other than a minor or incapacitated person, by delivering a copy of the levy to the debtor or 3rd party personally; by leaving a copy of the levy at the debtor's dwelling or usual place of abode with some person of suitable age and discretion residing there; by leaving a copy of the levy at the business establishment of the debtor with an officer or employee of the debtor; or by delivering a copy of the levy to an agent authorized by law to receive service of process.

(c) The department representative who serves the levy shall certify service of process on the notice of levy form and the person served shall acknowledge receipt of the certification by signing and dating it. If service is made by mail, the return receipt is the certificate of service of the levy.

(d) The failure of a debtor or 3rd party to accept or receive service of the levy does not invalidate the levy.

(14) **ANSWER BY 3RD PARTY.** Within 20 days after the service of the levy upon a 3rd party, the 3rd party shall file an answer with the department stating whether the 3rd party is in possession of or obligated with respect to property or rights to property of the debtor, including a description of the property or the rights to property and the nature and dollar amount of any such obligation. If the 3rd party is an insurance company, the insurance company shall file an answer with the department within 45 days after the service of the levy.

(15) **DURATION OF LEVY.** A levy is effective from the date on which the levy is first served on the 3rd party until the liability out of which the levy arose is satisfied, until the levy is released or until one year after the date of service, whichever occurs first.

(18) **RESTRICTION ON EMPLOYMENT PENALTIES BY REASON OF LEVY.** No employer may discharge or otherwise discriminate with respect to the terms and conditions of employment against any employee by reason of the fact that his or her earnings have been subject to levy for any one levy or because of compliance with any provision of this section. Whoever willfully violates this subsection may be fined not more than \$10,000 or imprisoned for not more than 9 months or both.

(19) **HEARING.** Any debtor who is subject to a levy proceeding made by the department may request a hearing under s. 102.17 to review the levy proceeding. The hearing is limited to questions of prior payment of the debt that the department is proceeding against, and mistaken identity of the debtor. The levy is not stayed pending the hearing in any case in which property is secured through the levy.

(20) **COST OF LEVY.** Any 3rd party is entitled to a levy fee of \$5 for each levy in any case where property is secured through the levy. The 3rd party shall deduct the fee from the proceeds of the levy.

History: 1993 a. 81; 1995 a. 117; 1997 a. 187, 283; 2001 a. 109; 2005 a. 442; 2007 a. 185.