

Audit Dispute Instructions

Thank you for reaching out regarding your BerkleyNet workers comp audit.

The more information we have about your dispute, the more streamlined this process can be. Here's what you'll need to do:

Send us an email at dispute@berkley.net. Include answers to the questions below as well as the attachments requested:

1. What concerns you about your audit? (list all that apply)

- Audit was labeled "unproductive"
- Classification of employees
- Owner/officer inclusion or exclusion
- Payroll or overtime
- Contractor, subcontractor or 1099 labor
- Other

2. List each employee and answer the following:

- What are their specific duties?
- Where did they perform their duties?
- Do they oversee any work done.

EX. "Ann works at a desk in a separate office area handling accounts payable. She does not supervise any employees and does not interact with customers."

3. Attach the gross payroll summary for the listed policy period.

The summary should list employees individually with their total gross payroll, and show a column for any overtime paid.

4. Attach one of the following payroll verification documents for the listed policy period

- Quarterly 941 forms
- State Unemployment Forms

5. Attach one of the following non-payroll verification documents for the listed policy period

- Financial Statement (Profit & Loss)
- General Ledger Detail

6. If you used subcontractors, please provide Certificates of Insurance showing valid workers' compensation coverage for the policy period.

If you have questions about any of the items above, please make sure to ask them in your email. The more specific you are, the faster our team can answer your questions and follow up on anything that's missing.

IMPORTANT: Please remember that all invoices must continue to be paid in a timely manner while we work with you to resolve any premium review-related issues. Failure to do so may result in the cancellation of your current workers compensation policy.

12:04 PM
 02/07/19
 Accrual Basis

Profit & Loss
 August 20, 2017 through August 20, 2018

	<u>Aug '16 - Aug '17</u>
Ordinary Income/Expense	
Income	
LABOR	200.00
Gross Receipts	651,050.22
Total Income	651,250.22
Cost of Goods Sold	
Material	45,843.04
Sub Contract	32,135.98
Total COGS	77,979.02
Gross Profit	573,271.20
Expense	
AC EQUIPMENT	99.00
Employee Medical	650.19
John Smith	427.75
Sub Contractor	41,008.78
PLUMBING COSTS	2,042.31
MAINTENANCE	3,437.95
Office supplies	96.88
SHIPPING	81.60
Tax Penalty	408.63
Miscellaneous	6,852.42
Transportation	30,454.20
Radio	629.08
SECURITY MONITORING	227.61
MEDICAL	2,100.00
workers comp	2,075.00
Truck repair & Maintenance	24,221.00
club dues	305.00
Insurance	33,015.88
Contractor costs	38,001.00
Auto & Trucks	876.04
Lodging	2,434.08
Bank Charges	1,014.60
loan	2,207.86
Late Fees	207.75
Parking	121.60
Crane Rental	10,434.25
Travel	34,237.88
Meals	1,868.63
Postage	796.38
Entertainment	402.22
Advertising	1,368.52
Dues and Subscriptions	350.00
Equipment Rental	9,687.18
Garbage Removal	20.00
Gas and Oil	61,746.22
Insurance and Bonds	19,292.19
Interest	361.35
Janitorial	640.00
Legal and Professional	3,000.00
Office Expense	7,107.51
Officers Salaries	8,800.00
Rent	5,038.12
Repairs and Maintenance	8,168.91
Salaries	41,430.00
Small Tools and Supplies	7,560.52

12:04 PM
 02/07/19
 Accrual Basis

Profit & Loss
 August 20, 2016 through August 20, 2017

	Aug '16 - Aug '17
Taxes and Licenses	
Permits	149.50
Business License	880.00
FICA Payroll Tax	4,053.16
Medicare Payroll Taxes	728.34
Federal Unemployment Tax	2,094.32
Ga. Unemployment Tax	3,841.04
Ga. Domestic Corp Tax	150.00
Property Taxes	250.50
Tags and Taxes	5,205.20
Taxes and Licenses - Other	169.78
	17,521.84
Total Taxes and Licenses	17,521.84
Telephone	13,871.26
Uniforms	920.08
Utilities	2,289.61
	449,908.88
Total Expense	449,908.88
Net Ordinary Income	123,362.32
Other Income/Expense	
Other Income	
Interest Income	21.71
	21.71
Total Other Income	21.71
Net Other Income	21.71
Net Income	123,384.03

Form **941 for 2012: Employer's QUARTERLY Federal Tax Return**
 (Rev. January 2012) Department of the Treasury — Internal Revenue Service

950112
 OMB No. 1545-0029

Employer identification number (EIN) -

Name (not your trade name)

Trade name (if any)

Address

Number Street Suite or room number

City State ZIP code

Report for this Quarter of 2012
 (Check one.)

1: January, February, March

2: April, May, June

3: July, August, September

4: October, November, December

Prior-year forms are available at www.irs.gov/form941.

Read the separate instructions before you complete Form 941. Type or print within the boxes.

Part 1: Answer these questions for this quarter.

1	Number of employees who received wages, tips, or other compensation for the pay period including: Mar. 12 (Quarter 1), June 12 (Quarter 2), Sept. 12 (Quarter 3), or Dec. 12 (Quarter 4)	1	<input type="text"/>
2	Wages, tips, and other compensation	2	<input type="text"/>
3	Income tax withheld from wages, tips, and other compensation	3	<input type="text"/>
4	If no wages, tips, and other compensation are subject to social security or Medicare tax	<input type="checkbox"/> Check and go to line 6.	
		Column 1	Column 2
5a	Taxable social security wages	<input type="text"/>	<input type="text"/>
5b	Taxable social security tips	<input type="text"/>	<input type="text"/>
5c	Taxable Medicare wages & tips	<input type="text"/>	<input type="text"/>
5d	Add Column 2 line 5a, Column 2 line 5b, and Column 2 line 5c	5d	<input type="text"/>
5e	Section 3121(q) Notice and Demand—Tax due on unreported tips (see instructions)	5e	<input type="text"/>
6	Total taxes before adjustments (add lines 3, 5d, and 5e)	6	<input type="text"/>
7	Current quarter's adjustment for fractions of cents	7	<input type="text"/>
8	Current quarter's adjustment for sick pay	8	<input type="text"/>
9	Current quarter's adjustments for tips and group-term life insurance	9	<input type="text"/>
10	Total taxes after adjustments. Combine lines 6 through 9	10	<input type="text"/>
11	Total deposits for this quarter, including overpayment applied from a prior quarter and overpayment applied from Form 941-X or Form 944-X	11	<input type="text"/>
12a	COBRA premium assistance payments (see instructions)	12a	<input type="text"/>
12b	Number of individuals provided COBRA premium assistance		<input type="text"/>
13	Add lines 11 and 12a	13	<input type="text"/>
14	Balance due. If line 10 is more than line 13, enter the difference and see instructions	14	<input type="text"/>
15	Overpayment. If line 13 is more than line 10, enter the difference		<input type="text"/>

Check one: Apply to next return. Send a refund.

► You MUST complete both pages of Form 941 and SIGN it.

Next ►

Name (not your trade name)

Employer identification number (EIN)

Part 2: Tell us about your deposit schedule and tax liability for this quarter.

If you are unsure about whether you are a monthly schedule depositor or a semiweekly schedule depositor, see *Pub. 15 (Circular E)*, section 11.

16 Check one: Line 10 on this return is less than \$2,500 or line 10 on the return for the prior quarter was less than \$2,500, and you did not incur a \$100,000 next-day deposit obligation during the current quarter. If line 10 for the prior quarter was less than \$2,500 but line 10 on this return is \$100,000 or more, you must provide a record of your federal tax liability. If you are a monthly schedule depositor, complete the deposit schedule below; if you are a semiweekly schedule depositor, attach Schedule B (Form 941). Go to Part 3.

You were a monthly schedule depositor for the entire quarter. Enter your tax liability for each month and total liability for the quarter, then go to Part 3.

Tax liability: Month 1

Month 2

Month 3

Total liability for quarter

Total must equal line 10.

You were a semiweekly schedule depositor for any part of this quarter. Complete *Schedule B (Form 941): Report of Tax Liability for Semiweekly Schedule Depositors*, and attach it to Form 941.

Part 3: Tell us about your business. If a question does NOT apply to your business, leave it blank.

17 If your business has closed or you stopped paying wages Check here, and enter the final date you paid wages .

18 If you are a seasonal employer and you do not have to file a return for every quarter of the year . . . Check here.

Part 4: May we speak with your third-party designee?

Do you want to allow an employee, a paid tax preparer, or another person to discuss this return with the IRS? See the instructions for details.

Yes. Designee's name and phone number

Select a 5-digit Personal Identification Number (PIN) to use when talking to the IRS.

No.

Part 5: Sign here. You MUST complete both pages of Form 941 and SIGN it.

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than taxpayer) is based on all information of which preparer has any knowledge.



Sign your name here

Print your name here

Print your title here

Date

Best daytime phone

Paid Preparer Use Only

Check if you are self-employed . . .

Preparer's name

PTIN

Preparer's signature

Date

Firm's name (or yours if self-employed)

EIN

Address

Phone

City

State

ZIP code

Form 941-V, Payment Voucher

Purpose of Form

Complete Form 941-V, Payment Voucher, if you are making a payment with Form 941, Employer's QUARTERLY Federal Tax Return. We will use the completed voucher to credit your payment more promptly and accurately, and to improve our service to you.

If you have your return prepared by a third party and make a payment with that return, please provide this payment voucher to the return preparer.

Making Payments With Form 941

To avoid a penalty, make your payment with Form 941 **only if**:

- Your net taxes for either the current quarter or the preceding quarter (line 10 on Form 941) are less than \$2,500, you did not incur a \$100,000 next-day deposit obligation during the current quarter, and you are paying in full with a timely filed return, or
- You are a monthly schedule depositor making a payment in accordance with the Accuracy of Deposits Rule. See section 11 of Pub. 15 (Circular E), Employer's Tax Guide, for details. In this case, the amount of your payment may be \$2,500 or more.

Otherwise, you must make deposits by electronic funds transfer. See section 11 of Pub. 15 (Circular E) for deposit instructions. Do not use Form 941-V to make federal tax deposits.

Caution. Use Form 941-V when making any payment with Form 941. However, if you pay an amount with Form 941 that should have been deposited, you may be subject to a penalty. See Deposit Penalties in section 11 of Pub. 15 (Circular E).

Specific Instructions

Box 1—Employer identification number (EIN). If you do not have an EIN, you may apply for one online. Go to IRS.gov and click on the *Apply for an EIN Online* link. You may also apply for an EIN by calling 1-800-829-4933, or you can fax or mail Form SS-4, Application for Employer Identification Number. If you have not received your EIN by the due date of Form 941, write "Applied For" and the date you applied in this entry space.

Box 2—Amount paid. Enter the amount paid with Form 941.

Box 3—Tax period. Darken the circle identifying the quarter for which the payment is made. Darken only one circle.

Box 4—Name and address. Enter your name and address as shown on Form 941.

- Enclose your check or money order made payable to the "United States Treasury." Be sure to enter your EIN, "Form 941," and the tax period on your check or money order. Do not send cash. Do not staple Form 941-V or your payment to Form 941 (or to each other).

- Detach Form 941-V and send it with your payment and Form 941 to the address in the Instructions for Form 941.

Note. You must also complete the entity information above Part 1 on Form 941.

✂ **Detach Here and Mail With Your Payment and Form 941.** ✂

Form 941-V Department of the Treasury Internal Revenue Service		Payment Voucher ▶ Do not staple this voucher or your payment to Form 941.		OMB No. 1545-0029 2012	
1 Enter your employer identification number (EIN).		2 Enter the amount of your payment. ▶		Dollars	Cents
3 Tax Period <input type="radio"/> 1st Quarter <input type="radio"/> 3rd Quarter <input type="radio"/> 2nd Quarter <input type="radio"/> 4th Quarter		4 Enter your business name (individual name if sole proprietor). _____ Enter your address. _____ Enter your city, state, and ZIP code.			

Privacy Act and Paperwork Reduction Act Notice.

We ask for the information on Form 941 to carry out the Internal Revenue laws of the United States. We need it to figure and collect the right amount of tax. Subtitle C, Employment Taxes, of the Internal Revenue Code imposes employment taxes on wages, including income tax withholding. Form 941 is used to determine the amount of taxes that you owe. Section 6011 requires you to provide the requested information if the tax is applicable to you. Section 6109 requires you to provide your identification number. If you fail to provide this information in a timely manner, or provide false or fraudulent information, you may be subject to penalties and interest.

You are not required to provide the information requested on a form that is subject to the Paperwork Reduction Act unless the form displays a valid OMB control number. Books and records relating to a form or its instructions must be retained as long as their contents may become material in the administration of any Internal Revenue law.

Generally, tax returns and return information are confidential, as required by section 6103. However, section 6103 allows or requires the IRS to disclose or give the information shown on your tax return to others as described in the Code. For example, we may disclose your tax information to the Department of

Justice for civil and criminal litigation, and to cities, states, the District of Columbia, and U.S. commonwealths and possessions for use in administering their tax laws. We may also disclose this information to other countries under a tax treaty, to federal and state agencies to enforce federal nontax criminal laws, or to federal law enforcement and intelligence agencies to combat terrorism.

The time needed to complete and file Form 941 will vary depending on individual circumstances. The estimated average time is:

Recordkeeping 11 hr.

Learning about the law or the form 47 min.

Preparing, copying, assembling, and sending the form to the IRS 1 hr.

If you have comments concerning the accuracy of these time estimates or suggestions for making Form 941 simpler, we would be happy to hear from you. You can email us at taxforms@irs.gov. Enter "Form 941" on the subject line. Or write to: Internal Revenue Service, Tax Products Coordinating Committee, SE:W:CAR:MP:T:M:S, 1111 Constitution Ave. NW, IR-6526, Washington, DC 20224. **Do not** send Form 941 to this address. Instead, see *Where Should You File?* in the Instructions for Form 941.