
Law

s.78(1)

Every year on or before the date specified by the WSIB, a Schedule 1 employer shall give the WSIB a statement setting out the total wages earned during the preceding year by all workers, and such other information as the WSIB may request.

s.78(4)

The WSIB may require a Schedule 1 employer to submit a statement at any time setting out the information described in subsection (1), (2), or (3) with respect to other periods of time as the WSIB may specify.

Policy

Employers who report and pay their premiums monthly must submit a year-end reconciliation of workers' earnings for each of their accounts by March 31 for each premium year.

How to reconcile

Monthly employers, plus any other employer who closes an account during the year (regardless of their reporting frequency), must complete the Reconciliation form.

NOTE

Reconciliation applies to reported premiums only. If an employer has not paid the full amount of the premium previously reported, the unpaid difference appears on the employer's Monthly Statement of Account(s). In this case, interest on the unpaid premium has already been charged.

The process

Using the Reconciliation form, employers

1. report their workers' total actual insurable earnings for the year just past
2. break down these earnings into direct and common earnings by CUs
3. calculate their actual premium, and report it in total by CU
4. calculate the difference owing by comparing the premium they have reported with the total premium they owe for the year, and
5. send the Reconciliation form, along with any payment owing, to the WSIB.

Due dates

Reconciliation forms are due March 31 of the year following the year they cover.

Employers who have overpaid

Employers who have overpaid their premiums based on what they've reported during the year must also send in the Reconciliation form by the due date. The WSIB confirms the overpayment and credits their account. The credit is first applied to any balance owing from

previous years. The remainder, if any, is applied toward the next premium. See **Interest owing to employers**, below.

Non-compliance charges

Non-submission of Reconciliation form

If a form is not received by its due date, the WSIB calculates a premium for the reconciliation period and charges a penalty of one per cent of the calculated premium, up to a \$1,000 maximum, for each month the Reconciliation form is not filed past the due date. The WSIB does not adjust this penalty once an employer submits the form with the reconciled premium.

Interest owing to employers

For 1996 year-end reconciliation and prior years

Where there are premiums owing to the employer on 1996 reconciliation or on any adjustments made to reported premiums for prior years processed in March 1997 or later, interest is paid retroactively from January 1, 1997 up to the end of the month prior to the month the WSIB processes the Reconciliation form.

NOTE

The WSIB does not pay interest on any premium adjustments for years prior to 1997 processed before March 1997.

Example

On May 24, 1998 the WSIB discovers that an employer exceeded their premium in 1996 by \$2000. The WSIB then calculates the interest from January 1, 1997 to April 30, 1998 (at the WSIB monthly rate as it was on January 31, 1998) and credits the employer's account with the total amount, \$2000 + interest.

From the 1997 reconciliation onwards

For 1997 year-end reconciliation and for subsequent years, the WSIB will pay interest on reconciled differences from **July 1** of the premium year to the end of the month prior to the month the WSIB processes the Reconciliation form.

Interest owing to the WSIB

For 1996 year-end reconciliation and prior years

Where there is a shortfall in premiums on 1996 reconciliation or on any adjustments made to reported premiums for prior years processed in March 1997 or later, interest is charged retroactively from January 1, 1997 up to the end of the month prior to the month the WSIB processes the Reconciliation form.

Section
Employer Billing

Subject
Reconciliation

NOTE

The WSIB does not charge interest on any premium adjustments for years prior to 1997 processed before March 1997.

From the 1997 reconciliation onwards

The WSIB charges interest on reconciled differences from **July 1** of the premium year to the end of the month prior to the month in which the WSIB receives the Reconciliation form

Application date

This policy applies to all decisions made on or after July 1, 2001.

Document History

This document replaces 14-03-12 dated September 28, 2001.

References

Legislative Authority

Workplace Safety and Insurance Act, 1997, as amended
Sections 78, 79

Minute

Administrative
#3, March 10, 1997, Page 221
#8, July 9, 2004, Page 393