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Executive Director

STATE OF OKLAHOMA

WORKERS' COMPENSATION COMMISSION

1915 N. STILES
OKLAHOMA CITY, OKLAHOMA 73105-4918
(405) 522-3222

To: Workers' Compensation Payors

From: Dr. Rick Farmer, Executive Director

**Re: NOTICE OF ASSESSMENT RATE - July 1, 2014 through June 30, 2015
MULTIPLE INJURY TRUST FUND ASSESSMENT *per Title 85A O.S., §31***

Date: May 1, 2014

The Multiple Injury Trust Fund (MITF) assessment rate to be charged in accordance with 85A O.S., §31 for the four-quarter period of July 1, 2014 through June 30, 2015 is six percent (6.00%) of anyone of the following:

- Gross direct premiums written for workers' compensation for risks located in this state (for insurance carriers and CompSource Oklahoma);
- Normal premiums (for group self-insurance associations); or
- Actual paid losses (for individual self-insured employers).

The rate was calculated using a statutory formula. The formula involves dividing the gross direct written premium, normal premium and actual paid losses reported by workers' compensation payors for calendar year 2014 (\$1,014,897,799) into \$98,740,000 [the sum of the MITF's outstanding obligations for calendar year 2015 (\$96,190,000), as reported by the MITF, and \$2,550,000 fixed by law for funding various state programs related to worker safety and workers' compensation fraud prosecution].

Assessments are due on the 15th day of the month following the end of the calendar quarter and are based on the payor's premiums or losses (as applicable) during the quarter. The assessment due on July 15, 2014 (for the period of April 1, 2014 through June 30, 2014) is to be calculated at the existing five and eighteen one hundredths percent (5.18%) rate. The new six percent (6.00%) rate applies beginning July 1, 2014 (i.e. the third quarter of calendar year 2014) until June 30, 2015. Notice of the assessment rate for subsequent four-quarter periods is provided as required by Title 85A O.S., §31. Quarterly reminder notices will NOT be provided.

A summary of the payment due dates and calculation of the assessment for the four-quarter period of July 1, 2014 through June 30, 2015 follows:

Payment Due October 15, 2014	For the third quarter of calendar year 2013- Assessment amount is 6.00% of premiums or losses, as applicable, for the period of July 1, 2014 through September 30, 2014.
Payment Due January 15, 2015	For the fourth quarter of calendar year 2014- Assessment amount is 6.00% of premiums or losses, as applicable, for the period of October 1, 2014 through December 31, 2014.
Payment Due April 15, 2015	For the first quarter of calendar year 2014- Assessment amount is 6.00% of premiums or losses, as applicable, for the period of January 1, 2015 through March 31, 2015.
Payment Due July 15, 2015	For the second quarter of calendar year 2015- Assessment amount is 6.00% of premiums or losses, as applicable, for the period of April 1, 2015 through June 30, 2015.

The Workers' Compensation Multiple Injury Trust Fund (MITF) Assessment Report form may be accessed by linking directly with the Tax Commission's web site at:

<http://www.tax.ok.gov/wcforms.html>

Complete the report, and mail it with your remittance by the appropriate due date to:

OKLAHOMA TAX COMMISSION
Account Maintenance Division
Special Taxes
2501 North Lincoln Boulevard
Oklahoma City, Oklahoma 73194-0004

Retain a copy of the completed report for your records. Failure to timely remit the assessment, or to notify that payment was made, may result in administrative penalties, including but not limited to, the greater of \$500 or 1% of the unpaid amount. By law, notice of each assessment payment must be given to the Oklahoma Insurance Commissioner (if you are an insurance carrier or CompSource Oklahoma) or to the Workers' Compensation Commission Executive Director (if you are an individual self-insured employer or group self-insurance association). Mail notice of payment as instructed at the bottom of your Workers' Compensation Multiple Injury Trust Fund (MITF) Assessment Report form.

Direct questions about the assessment rate to Mark.Bilderjack@MITF.ok.gov or Andrea.Bair@wcc.ok.gov. Direct questions about remittance of the assessment to the Oklahoma Tax Commission, Account Maintenance Division, (405) 521-3938. Direct questions about refunds and the tax rebate related to the assessment to the Oklahoma Tax Commission, Taxpayer Assistance Division, (405) 521-3160.

NOTE: State law permits a two-thirds(2/3) rebate of MITF assessments paid each tax year. The request form for the rebate is available at www.wcc.ok.gov by linking directly with the Tax Commission's web site at www.tax.ok.gov/wcforms.html. **To avoid a ten percent (10%) reduction in the amount of the rebate for assessments paid for the preceding tax year, submit the rebate to the Oklahoma Tax Commission annually by May 31.**

NOTICE

Re: Multiple Injury Trust Fund Assessment Rate

In accordance with 85A O.S., §31, the Multiple Injury Trust Fund (MITF) assessment rate to be charged for the four-quarter period of July 1, 2014 through June 30, 2015 shall be 6.00% of anyone of the following:

- Gross direct premiums written for workers' compensation for risks located in this state (for insurance carriers and CompSource Oklahoma);
- Normal premiums (for group self-insurance associations); or
- Actual paid losses (for individual self-insured employers).

The rate was calculated using a statutory formula. The formula involves dividing the gross direct written premium, normal premium and actual paid losses reported by workers' compensation payors for calendar year 2014 (\$1,014,897,799) into \$98,740,000 [the sum of the MITF's outstanding obligations for calendar year 2015 (\$96,190,000), as reported by the MITF, and \$2,550,000 fixed by law for funding various state programs related to worker safety and workers' compensation fraud prosecution].

Assessments are due on the 15th day of the month following the end of the calendar quarter and are based on the payor's premiums or losses (as applicable) during the quarter. The assessment reporting form may be accessed directly from the Oklahoma Tax Commission web site at <http://www.tax.ok.gov/wcforms.html>.

Assessment rates since the inception of the law are as follows:

Assessment Period	Rate
1/1/02 - 6/30/02	6.00%
7/1/02 - 6/30/03	6.00%
7/1/03 - 6/30/04	2.95%
7/1/04 - 6/30/05	3.63%
7/1/05 - 6/30/06	3.83%
7/1/06 - 6/30/07	3.46%
7/1/07 - 6/30/08	2.14%
7/1/08 - 6/30/09	2.50%
7/1/09 - 6/30/10	2.60%
7/1/10 - 6/30/11	2.59%
7/1/11 - 6/30/12	1.98%
7/1/12 - 6/30/13	3.39%
7/1/13 - 6/30/14	5.18%
7/1/14 - 6/30/15	6.00%