



Corporate Officer Exclusion Request

(Note: Exclusion is not in effect until you receive written approval.)

Business name		Business identification number (BIN)	
Business address		City	State Zip Code
Does the business have employees other than the corporate officers listed below? <input type="checkbox"/> Yes <input type="checkbox"/> No		Today's date:	
If this request reflects changes to the ownership or officers since a previous request, what is the date the change occurred?		Date of change:	
Contact name (please print)	Telephone number () Ext.		
Pursuant to ORS 657.044 it is requested that the following owners be exempted from unemployment insurance. (It is required that 100 percent (%) of the ownership be accounted for.)			
Name (please print)	Social Security number		
Corporate Title (e.g. President, Secretary, Treasurer)	Director <input type="checkbox"/> Yes <input type="checkbox"/> No		
Percent (%) ownership	Family relationship		
Signature	Date		
Name (please print)	Social Security number		
Corporate Title (e.g. President, Secretary, Treasurer)	Director <input type="checkbox"/> Yes <input type="checkbox"/> No		
Percent (%) ownership	Family relationship		
Signature	Date		
Name (please print)	Social Security number		
Corporate Title (e.g. President, Secretary, Treasurer)	Director <input type="checkbox"/> Yes <input type="checkbox"/> No		
Percent (%) ownership	Family relationship		
Signature	Date		
Name (please print)	Social Security number		
Corporate Title (e.g. President, Secretary, Treasurer)	Director <input type="checkbox"/> Yes <input type="checkbox"/> No		
Percent (%) ownership	Family relationship		
Signature	Date		

Please complete as many pages as necessary to attach with your request if there are more than four officers.

Mail to: **Employment Department - Tax Section • 875 Union Street NE
• Salem OR 97311-0030 -OR- FAX: (503) 947-1700**

IMPORTANT – READ REVERSE SIDE

Oregon Revised Statute 657.044 Employment; service by partners and corporate officers and directors who are family members and by certain sole corporate officers and directors excluded; election; exceptions.

- (1) As used in this chapter, "employment" does not include service performed for:
- (a) A corporation by corporate officers who:
 - (A) Are directors of the corporation;
 - (B) Have a substantial ownership interest in the corporation; and
 - (C) Are members of the same family.
 - (b) A corporation by an individual who is the sole corporate officer and director of the corporation and who has a substantial ownership interest in the corporation.
 - (c) A limited liability company by a member, including members who are managers, as defined in ORS 63.001.
 - (d) A limited liability partnership by a partner as described in ORS chapter 67.
- (2)(a) The exclusion under subsection (1)(a) or (b) of this section is effective only if the corporation elects not to provide coverage for the individuals described respectively in subsection (1)(a) or (b) of this section.
- (b) The election must be in writing and is effective on the first day of the current calendar quarter or, upon request, on the first day of the calendar quarter preceding the calendar quarter in which the request is submitted.
- (3) The provisions of this section do not apply to service performed for:
- (a) A nonprofit employing unit;
 - (b) This state;
 - (c) A political subdivision of this state; or
 - (d) An Indian tribe.
- (4) As used in this sections, "members of the same family" means persons who are memver of a family as parents, stepparents, grandparents, spouses, sons-in-law, daughters-in-law, brothers, sisters, children, stepchildren, adopted children or grandchildren.
[1995 c. 220 §2; 1997 c.646 §15; 1999 c.59 §195; 2001 c.572 §3; 2003 c.792 §1; 2005 c.218 §9; 2009 c.79 §1, 2013 c.311 §1]

Note: Section 2, chapter 311, Oregon Laws 2013, provides:

- Sec. 2.** (1) Notwithstanding ORS 657.044 (2)(b), an election under ORS 657.044 (2) may not become effective before the January 1 that immediately follows the first date after the effective date of this 2013 Act [October 7, 2013] on which a Fund Adequacy Percentage Ratio schedule lower than V, V B or V C, pursuant to ORS 657.462, 657.463 or 657.439, respectively, is in effect.
- (2) The Director of the Employment Department shall notify Legislative Counsel when a Fund Adequacy Percentage Ratio schedule lower than V, V B or V C, pursuant to ORS 657.462, 657.463 or 657.439, respectively, is in effect for the first time following the effective date of this 2013 Act. [2013 c.311 §2]

Oregon Administrative Rule 471-031-0017 Corporate Officer/Director Election

- (1) For the purposes of ORS 657.044, the term "substantial ownership" means each corporate officer owns at least ten percent of the corporation and the total ownership of the corporation among those officers being excluded is at least seventy-five percent. This definition is effective for all corporations who apply for the election after February 1, 2017.
- (2) The Employment Department will notify the corporation, in writing, whether the election meets the statutory requirements and the effective date of the election as determined by ORS 657.044(2)(b). The notice approving or denying the election will be mailed to the corporation's last known address as shown in the Department's records.
- (3) If the statutory requirements are met, the election not to provide coverage will continue until revoked or canceled.
- (4) Once the election is approved, the corporation must notify the Employment Department in writing of any changes to ownership within thirty (30) days of the change occurring.
- (5) The election not to provide coverage will be revoked if there is a change in ownership which causes the corporate officers to no longer meet the requirements of ORS 657.044(1)(a) or (b). The election will be revoked effective the date of the change regardless of when the Employment Department was notified of the change. If the election is revoked, the Department will mail a notice of revocation to the corporation's last known address as shown in the Department's records.
- (6) The corporation may cancel the election at any time by notifying the Employment Department in writing, and the cancellation will be effective in the quarter filed unless a later date is specified in the cancellation notice. If the corporation chooses to cancel the election, then the corporation will not be granted another exclusion for a minimum of two completed calendar years from the effective date of the cancellation.
- (7) The notice of denial referred to in section 2 and notice of revocation referred to in section 5 shall become final twenty (20) calendar days after the notice is mailed unless within such time the corporation files a request for a hearing. The request for hearing must be filed in accordance with the provisions of OAR 471-040-0005(3). A request for hearing on the denial of a corporation's election must be in writing and submitted by the employer or the employer's agent. The date of filing any request for hearing under this rule shall be determined in accordance with the provisions of OAR 471-010-0040.

For more on the Corporate Officer Exemption, please refer to our Quick Tax Informational Flyer.

QUESTIONS

If you have questions or need additional information, please contact the Employment Department tax representative in your area or call 503-947-1488; TDD/Nonvoice Users 711 or by email at oed_taxinfo_user@oregon.gov. You may also visit our website at www.oregon.gov/EMPLOY/TAX/.

PREGUNTAS

Si tiene preguntas o necesita información adicional, por favor comuníquese con el representante impositivo del Departamento de Empleo de su área, o llama al 503-947-1488; usuarios TDD/Hipoacúsicos al 711 o por correo electrónico a oed_taxinfo_user@oregon.gov. También puede visitar nuestro sitio de web en www.oregon.gov/EMPLOY/TAX/.

The Oregon Employment Department is an equal opportunity program/employer. The following services are available free of cost upon request: Auxiliary aids or services and alternate formats to individuals with disabilities and language assistance to individuals with limited English proficiency. Ask one of our staff for more information.

El Departamento de Empleo de Oregon es un programa/empleador que respeta la igualdad de oportunidades. Disponemos de los siguientes servicios a pedido y sin costo: Servicios o ayudas auxiliares, y formatos alternos para personas con discapacidades y asistencia de idiomas para personas con conocimiento limitado del inglés. Para mayor información, pregunte a nuestro personal.