

# PAYROLL REPORTING GUIDELINES

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*This is an optional tool to help employers to calculate actual gross assessable payroll, as required in section D of the WCB Employer Registration and Renewal forms. You do not have to submit the Payroll Reporting Guidelines to the WCB but it may be helpful to retain this form with your payroll records for WCB auditing purposes. Instructions for each section are on the next page.*

## EMPLOYER INFORMATION

WCB Employer Number:	CRA Business Number:
Company Name:	Contact Name:

## ASSESSABLE PAYROLL CALCULATION (Refer to instructions for more information on each section)

	OPERATION #1	OPERATION #2	OPERATION #3
(1) Gross payroll of all workers <i>(Box 14 of T4 summary)</i>			
(2) Labour paid to subcontractors (with workers) who do not have WCB clearance, <i>if applicable</i>			
(3) Wages allocated from another operation, <i>if applicable</i>			
<b>Payroll Subtotal of (1) + (2) + (3)</b>			
<b>List the following deductions ONLY IF included in amounts above</b>			
(4) Earnings in excess of the maximum for each worker (2021 - \$55,300 2022 - \$58,300)			
(5) Non-assessable payments/benefits to workers			
(6) Wages/salary paid to owners, directors, partners or proprietors			
(7) Labour payments made to independent operators			
(8) Wages paid to workers while they are employed outside of PEI and covered in other provinces			
(9) Wages allocated to another operation			
<b>Deductions (4) + (5) + (6) + (7) + (8) + (9)</b>			
<b>ACTUAL ASSESSABLE GROSS PAYROLL</b> <i>(Payroll Subtotal minus Deductions)</i>			

**Enter the Actual Assessable Gross Payroll in Section D of the Employer Registration or Renewal form**

## INSTRUCTIONS FOR EACH SECTION

### **(1) Gross Payroll of all workers**

**This is the total amount paid to your workers, before deductions for Income Tax, Employment Insurance and Canada Pension Plan in Box 14 of the T4 Summary.** This includes regular employment wages/salaries, as well as all other taxable payments, benefits and credits (Eg. commissions, gratuities, holiday pay, vacation pay, sick pay, overtime pay, bonuses, shift differentials and piecework fees, car allowances, employer-supplied accommodations, meal allowances, room and board, and others that the Canada Revenue Agency considers taxable employment benefits) for all workers including those in supportive business activities.

More information about workers and what is assessable payroll is available the policy section of the WCB website: [POL-74, Worker](#) and [POL-14, Assessable Payroll and Assessment Billing](#)

### **(2) Labour paid to subcontractors (with workers) who do not have WCB clearance**

Do you hire contractors or subcontractors who have workers of their own? If so, Request a [WCB clearance letter](#) for verification that their WCB account is in good standing. If the subcontractor does not have WCB clearance, enter the labour portion of their contract in (2).

More information about reporting payroll for subcontractors with workers is available the policy section of the WCB website: [POL-19 Employer Registration](#) and [POL-14, Assessable Payroll and Assessment Billing](#)

### **(3) Wages allocated from another operation**

If you have workers who work in more than one operation, and the amount is not included in (1), distribute the payroll to the multiple operations based on the percentage or hours worked in each operation. (Eg. A care facility with nursing care beds and community care beds). Enter these amounts in (3).

### **(4) Earnings in excess of the maximum for each worker**

For 2021, the maximum annual earnings that you are required to report per worker is \$55,300. If the amount in (1), (2), or (3) includes earnings over and above this amount for any workers, enter the total excess amount in (4).

### **(5) Non-assessable payments/benefits to workers**

The following types of payments/benefits to workers are NOT included in assessable payroll: award payments (e.g. for an idea or suggestion), employer contributions to employment benefits, employer contributions to RRSPs, gifts in lieu of cash or payments in the form of merchandise, long term service awards/severance, tuition reimbursements from employer, uniforms, profit sharing, royalties, stocks or dividends resulting from employer stock option/purchase plan. If the amount in (1), (2), or (3) includes non-assessable payments/benefits, enter the amount in (5)

### **(6) Wages/salary paid to owners, directors, partners or proprietors**

Owners, directors, partners or proprietors of the business, are not considered workers. If amounts paid to them are included in (1), (2), or (3), enter this amount in (6). Owners, directors, partners or proprietors can apply for WCB Personal Coverage ([link](#))

### **(7) Labour payments made to independent operators**

Do you hire independent operators (self-employed individuals with no workers)? If so, they are not covered under your WCB registration. If amounts paid to independent operators are included in (1), (2), or (3), enter this amount in (7). Independent operators can apply for [WCB Personal Coverage](#) to be covered as workers, and are responsible for their own WCB assessments.

### **(8) (8) Wages paid to workers while they are employed outside of PEI and covered in other provinces**

If WCB assessments are paid to other jurisdictions for your workers while they work outside of PEI, enter the amount of their wages amount in (8).

### **(9) Wages allocated to another operation**

If you have workers who work in more than one operation, and the amount is included in (1), distribute the payroll to the multiple operations based on the percentage or hours worked in each operation. (Eg. A care facility with nursing care beds and community care beds). Enter these amounts in (9).

**Keep records of your assessments, wages and your deductions.  
These records will be required for WCB assessment audits.**