

# Retail & Wholesale

Workers' Compensation • General Liability • NCCI & ISO



Please have these documents ready **before your audit appointment** — whether conducted by phone, Zoom, or in person. Having everything organized in advance helps ensure your audit is completed accurately and efficiently, and reduces the likelihood of follow-up requests or premium adjustments after the fact.

If you have any questions or need further clarification, we recommend reaching out to your assigned auditor first. If additional assistance is needed, our team is happy to help — call **251-270-0110**, email [Service@AcceleratePremiumAudit.com](mailto:Service@AcceleratePremiumAudit.com), or visit [AcceleratePremiumAudit.com](http://AcceleratePremiumAudit.com)

**WC** Workers' Comp only    **GL** General Liability only    No tag = Both

## 1 Payroll & Employee Records

### Federal & State Tax Documents

- 941 Quarterly Payroll Tax Returns — all 4 quarters **WC**
- 940 Annual Federal Unemployment Return (FUTA) **WC**
- W-2 / W-3 Transmittal for all employees **WC**
- 1099-NEC / 1099-MISC for all subcontractors **WC**
- State Quarterly Wage Reports (SUI/SUTA) for every state where employees worked **WC**
- State business/contractor license numbers for all applicable states

### Payroll Detail — Must Be System-Generated (ADP, Paychex, QuickBooks, etc.)

- Payroll register by employee: name, job duties / class code, gross wages, state worked
- Overtime premium broken out separately from base OT wages  
*NCCI allows the OT premium (extra 50%) to be excluded from rated payroll — only if your report separates it.*
- Officer / owner wages listed separately with ownership % and inclusion/exclusion election status  
*Needed to apply NCCI officer min/max payroll limits, or to remove excluded officers from rated payroll entirely.*

■ Document Hierarchy — If system-generated reports aren't available: Tier 1 (Preferred): ADP / Paychex / QuickBooks / Sage | Tier 2: Excel or handwritten + business bank statements | Tier 3 (Last resort): Personal bank statements only if all funds run through a personal account

## 2 Financial Records

- Profit & Loss Statement for the full policy period **WC**  
*GAAP-compliant, system-generated or CPA-prepared.*
- If no P&L: signed federal tax return (1120, 1120-S, 1065, or Schedule C) **WC**
- If no tax return: complete business bank statements for all accounts **WC**
- If no business bank statements: personal bank statements (last resort only) **WC**

WHY WE NEED THE P&L: We cross-check payroll totals, verify subcontractor payments, and confirm the gross revenue figure used as your GL exposure base.

## 3 Subcontractor Documents

■ Any subcontractor WITHOUT a valid COI will have their labor charged to YOUR policy at your rates. Collect COIs before work begins — not at audit time.

- COI for every subcontractor — policy dates must cover dates they worked for you  
*Must show active WC coverage. Your company listed as Certificate Holder.*
- Subcontractor invoices or contracts showing dates and scope of work
- 1099-NEC issued to each subcontractor
- OCIP/CCIP wrap-up enrollment letters if any project was covered under a wrap-up  
*Wrap-up labor must be excluded from your policy — bring enrollment confirmation.*

## 4 Retail & Wholesale — Industry-Specific Documents

### Sales & Revenue Records

- Gross sales by product category or department for the audit period GL  
*ISO GL retail codes are rated on gross sales — separate categories may carry different rates.*
- Sales tax returns to corroborate gross revenue figures GL
- Evidence of excluded sales: returned goods, intercompany transfers GL
- Records of any service, installation, or repair revenue GL  
*Service work is rated at a higher GL class code than retail sales — keep these separate.*
- Delivery driver records with duties documented separately from store staff WC  
*Delivery drivers carry a different NCCI class code than retail clerks.*
- MVR records for employees operating company vehicles for deliveries

### Premises & Locations

- Lease agreements or property records for all retail and storage locations GL
- Warehouse square footage separated from retail floor square footage GL  
*Warehouse and retail premises may be rated differently for GL.*
- List of all locations including temporary, seasonal, or pop-up stores GL  
*All locations must be reported — unreported premises can create coverage gaps.*
- Number of full-time vs. part-time employees with average hours worked WC

WHY SALES BREAKDOWNS MATTER: ISO GL retail codes are rated on gross sales. Different product categories and service revenue carry different rates. A proper breakdown ensures you are not overpaying on lower-risk sales.

## 5 Business Entity & Policy Information

- Copy of the insurance policy declarations page
- Federal EIN / Tax ID confirmation document
- State business license or certificate of formation  
*Confirms entity type — affects officer inclusion/exclusion rules.*
- List of subsidiaries or affiliated entities sharing employees or operations

## 6 State-Specific Considerations

Monopolistic States (ND, OH, WA, WY): WC is through the state fund only — not your private carrier. Bring state fund account records and premium statements.

- California: WCIRB payroll records + contractor license (CSLB) for all CA work WC
- Florida: State-issued exemption certificates for any officer who opted out of WC WC  
*Expired exemptions = covered and rated at full wages.*
- Texas: Non-subscriber documentation if not a WC subscriber WC
- New York: Document any unique exposure — labor law, scaffold, or specific class code items GL
- Multi-state operations: timesheets or dispatch records showing days worked per state WC  
*Each state has its own rates. Payroll must be apportioned correctly.*

## 7 Quick-Reference: Why We Ask for It

DOCUMENT	WHY WE NEED IT
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941s — all 4 quarters	Establishes total annual payroll — the auditor's starting point for WC.
Payroll register w/ class codes	Lets us rate each employee at the correct NCCI class code, not the highest one.
OT premium separated	NCCI excludes the OT premium from rated payroll — saves money if documented.
Officer wages + ownership %	Applies exclusion endorsements or NCCI min/max limits — reduces rated payroll.
Profit & Loss Statement	Cross-checks payroll totals and confirms gross revenue for the GL exposure base.
COI for every sub	No COI = sub's labor added to your policy at your rates.
Business bank statements	Required backup when records aren't system-generated.

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