

5.03 Unemployment Compensation

Policy:

It is the policy of Licking/Knox Goodwill Industries, Inc. to remain in compliance with the Unemployment Compensation Laws of the State of Ohio.

Procedure:

An employer is liable under the Ohio unemployment compensation law if the required remuneration is paid to persons in covered employment.

The Ohio law defines employment as “service performed for wages under any contract of hire, written or oral, express or implied.” The law further provides that covered employment shall include an individual’s entire service performed for a subject employer within the State of Ohio unless that type of employment is excluded from coverage (see following list of excluded employment).

Under certain circumstances, coverage under Ohio law may be extended to include the services performed by an individual both inside and outside Ohio. The department must decide in each case whether all such services can be covered under Ohio law. If an employer has this type of employment, the department should be contacted for a ruling.

Excluded Employment Section 4141.01(B)(3)

Certain types of employment are specifically excluded from coverage. An employer is not liable under the law when all individuals performing service are in excluded or non-covered employment, nor can such employees be considered in determining liability.

Wages paid to non-covered employees are not subject to the payment of contribution, nor can they be used in establishing a claimant’s eligibility or in the computation of benefit amounts.

The following is a partial list of excluded employment:

- Students in a full-time program taken for credit, who are engaged in a work-study program when the working portion is a recognized part of the student’s required course of study at a public or parochial high school, college or university (the exclusion pertains to the work being performed for the outside employer);
- Individuals receiving rehabilitation services in a facility (sheltered workshop) conducted for such purposes (the exclusion applies only to those beneficiaries of the rehabilitative program who cannot be readily absorbed in the competitive labor market);
- Employees of nonprofit organizations other than those described in Section 501(c)(3) of the Internal Revenue Code, whose earnings do not exceed \$50 in any calendar quarter;
- Persons engaged in work relief or work training for nonprofit organizations, hospitals, colleges or universities, the state or political subdivision, where such work is financed in whole or in part by the government, state or federal; and

More detailed information on these exclusions may be obtained by contacting the department's Contribution Section at P.O. Box 182404, Columbus, Ohio 43218-2404, or the compliance representative in any of the department's compliance offices.

Independent Contractors Section 4141.01(B)(1)

The services of an individual determined to be an independent contractor (under contract to perform a special service for an employer) are also excluded from covered employment. To be excluded, it must be established by the employer that the contractor is free from direction and control over the service being performed.

See ODJFS Rule 4141-3-05.

Both Covered and Non-Covered Section 4141.01(B)(4)

With respect to individuals performing both covered and non-covered employment for the same employer, if one-half or more of the services performed by an employee in a pay period (not more than 31 days) is in covered employment, all the service performed by the employee in the pay period shall be deemed in covered employment. If more than one-half of the employee's services in a pay period is non-covered employment, then all the services in the pay period shall be considered as being in non-covered employment.