



## Ohio Administrative Code Rule 4141-15-05 Eligibility for common rate.

Effective: April 28, 2017

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(A) Each employer desiring to participate in a common rate shall make application in writing signed by a duly authorized representative. The application may, if the parties elect, be filed as a joint request, signed by a duly authorized representative of each entity desiring to participate in the common rate. Such application must be made on or before the thirty-first of December of the year preceding that for which the common rate is to apply. Each application shall contain the names and the unemployment compensation account numbers of all the employers applying for the common rate and a statement explaining the ownership common to each employer applicant. In the event that such application is granted and a common rate group is established, such common rate group shall be in force and effect annually thereafter, provided that each member of the common rate group continues to meet the eligibility requirements each year thereafter. The common rate and the group shall be discontinued effective at the close of any calendar year with respect to which the director determines that the requirements were not met or in the event the participating employers or any one thereof shall notify the director in writing by the thirty-first of December of that calendar year of its wish to discontinue the use of a common rate effective the thirty-first of December of that calendar year.

(1) To be eligible for a common rate, each employer desiring to participate in the common rate must:

(a) Be subject to Chapter 4141. of the Revised Code as of the first day of the year for which the common rate is to apply;

(b) Be eligible for an experience rate on its own individual experience;

(c) Have a positive balance in its account; and

(d) Be owned by the same business entity, business entities, individual, or individuals and the business entity, business entities, individual, or individuals must have controlling interest in each of the employers to be included in the group.



(2) For the purposes of this rule, "controlling interest" means that the business entity, business entities, individual, or individuals own more than fifty per cent of the employer as measured by shares of stock, partnership share, or other appropriate measure of business interest ownership as determined by the director.

(B) Each employer's account shall be maintained as a separate entity, and each employer shall submit contribution reports and shall be charged for benefits in the same manner as all other employers. One legal entity may not report nor pay contributions for another legal entity by what may be known as a common paymaster arrangement or by some other similar agreement.

(C) Common rates shall be determined by finding the sum of the average annual payrolls and the sum of the positive balances of all the members of the common rate group and computing the rate under section 4141.24 and division (A) of section 4141.25 of the Revised Code.

(D) If one of the employers in a group granted a common rate shall have its status changed during the year because of a sale, merger, reorganization, or any other cause, the common contribution rate of the remainder of the group will continue in effect until the close of the calendar year in which the status change was effective. The employer having the change in status shall lose its right to the common rate as of the effective date of the status change.

(E) No employer may participate in more than one common rate group simultaneously. An employer participating in a common rate group must request discontinuance of its participation in the existing common rate group and be determined to have discontinued participation in the existing common rate group before the employer may be considered eligible to participate in a newly constituted common rate group. An application for participation in a common rate group shall not be construed by the director as an implied request for discontinuance of an existing common rate group.

(F) If the director finds that any employer or group of employers participating in a common rate has failed or neglected to comply with the Ohio law and the rules of the department of job and family services, the director may, effective with the date of such failure or neglect, discontinue such common rate.