

COMMON OWNERSHIP/AFFILIATED COMPANIES

Carrier	Guidelines
	<p>Groups who have more than one business with different TINs may be eligible to enroll as one group if the following are met:</p> <ul style="list-style-type: none"> • One owner has controlling interest of all businesses to be included • Companies that are affiliated and that are eligible to file a combined income tax return for purposes of state taxation shall be considered one employer • All groups filed under one combined tax return are considered one group • There are 100 or fewer employees in the combined groups • Business with equal controlling interest may be considered if the owners of the company designate an individual to act on behalf of all the groups • A completed Common Ownership form must be submitted • Underwriting reserves the right to final underwriting review and may consider common ownership on a case-by-case underwriting exception <p>All companies in the common ownership group must appear as Active on the California Business Portal</p>
	<p>Companies that are affiliated and eligible to file a combined tax return for purposes of state taxation shall be considered one employer</p> <p>Common ownership groups must meet the definition of a small employer when combined</p> <p>All companies in the common ownership group must appear as Active on the California Business Portal</p>
	<p>Copies of Articles of Incorporation/Partnership Agreements are required for each group</p> <p>Common ownership groups must meet the definition of a small employer when combined</p> <p>All companies in the common ownership group must appear as Active on the California Business Portal</p>
	<p>Each company must share a minimum of 50% common ownership</p> <p>Companies must have a related industry (The groups would be able to file payroll taxes jointly)</p> <p>The total number eligible for all combined groups may not exceed 100</p> <p>Completed Common Ownership Statement</p> <p>Proof of related industries may be required by the Underwriter</p>
	<p>Companies that are affiliated and eligible to file a combined tax return for purposes of state taxation shall be considered one employer</p> <p>A letter from the employer's CPA which states the groups are eligible to file consolidated state tax returns is required</p> <p>Common ownership groups must meet the definition of a small employer when combined</p>
	<p>Small employers qualified to enroll as a single employer are required to submit a letter from a CPA certifying how they are eligible</p> <p>The CPA must not be an owner or employee of the groups seeking coverage</p> <p>The letter must be on CPA letterhead and it must explicitly state how the groups are eligible to enroll under a single policy</p> <p>Allowable reasons for how common ownership groups are eligible to enroll under a single policy:</p> <ul style="list-style-type: none"> • Affiliated companies that are eligible to file a combined tax return for state taxation • Controlled groups of corporations • Trades and businesses, whether or not incorporated, under common control • Affiliated service groups <p>Common ownership groups must meet the definition of a small employer when combined</p>
	<p>Business entities that are affiliated and eligible to file a combined tax return for purposes of state taxation will be considered 1 employer and must apply as 1 employer</p> <p>Common ownership groups must meet the definition of a small employer when combined</p> <p>All companies in the common ownership group must appear as Active on the California Business Portal</p>
	<p>Copies of the filed/stamped Statement of Information reflecting all officer/owners, or signed/dated Partnership Agreements listing all partners' names</p> <p>A letter from the employer's CPA stating that all business entities are eligible to file a combined tax return</p> <p>Submission of a completed and signed Common Ownership Certificate form</p> <p>All companies in the common ownership group must appear as Active on the California Business Portal</p> <p>Common ownership groups must meet the definition of a small employer when combined</p>

This guide has been created as a quick reference and does not replace the full underwriting guidelines published by each carrier
Please refer to the carrier guidelines for additional information