MISSOURI DEPARTMENT OF LABOR AND INDUSTRIAL RELATIONS

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MEMORANDUM

TO: All Workers' Compensation Insurance Companies Self-Insured Employers, Group Trusts and Third-Party Administrators

FROM: Lawrence G. Rebman, Director
Missouri Department of Labor and Industrial Relations

John M. Huff, Director
Missouri Department of Insurance, Financial Institutions and Professional Registration

DATE: October 30, 2009

SUBJECT: Workers' Compensation Administrative Tax, Administrative Surcharge and Second Injury Fund Surcharge for the 2010 Calendar Year

As required by Sections 287.690, 287.716 and 287.715 RSMo, the State of Missouri shall impose a workers' compensation administrative tax, administrative surcharge and Second Injury Fund surcharge. For calendar year 2010, the administrative tax will be **1.0 percent**, the administrative surcharge will be **1.0 percent** and the Second Injury Fund surcharge will be **3.0 percent**.

Section 287.690 RSMo authorizes the imposition of an administrative tax not to exceed two percent. Section 287.716 RSMo authorizes the imposition of an administrative surcharge at the same rate as the administrative tax. The revenue from the administrative tax and the administrative surcharge is used to fund the expenses associated with the administration of the Missouri Workers' Compensation law.[1]

[1] For Fiscal Year 2010, the Division of Workers' Compensation is incurring additional expenses of approximately $400,000 due to a Cole County Circuit Court order (on appeal in the Western District Court of Appeals) that requires payment of the salaries and associated expenditures for three administrative law judges whose positions were not included in the Division's FY2010 budget approved by the General Assembly.

Relay Missouri: 800-735-2966

The revenue generated by the Second Injury Fund surcharge is used to pay benefit and expense liabilities of the fund. Pursuant to section 287.715 RSMo, the Second Injury Fund surcharge shall not exceed three percent.

Additional information about the functions and services of the Division of Workers' Compensation and the Second Injury Fund may be found at www.labor.mo.gov/wc.

The Department of Labor and Industrial Relations and the Department of Insurance, Financial Institutions and Professional Registration look forward to working with you in 2010. If you have questions or need additional information, contact the Division of Workers' Compensation at 800-775-2667 or the Department of Insurance, Financial Institutions and Professional Registration at 800-394-0964.