PIC
Printing Industries of California
Government Affairs

Member Associations of
Printing Industries of California

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WatchDog

Guarding the Business of Print

January 2013

Headline Summary

Post OSHA Form 300A

OSHA requires that employers post February 1 to April 30, 2013 a summary of the job-related injuries and illnesses that occurred last year. Employers are only required to post the Summary (OSHA Form 300A), not the OSHA 300 Log. Those employers with 10 or fewer employees are normally exempt from federal OSHA injury and illness recordkeeping and posting requirements.

The summary must list the total numbers of job-related injuries and illnesses that occurred in 2012 and were logged on the OSHA 300 form. Employment information about annual average number of employees and total hours worked during the calendar year is also required. Companies with no recordable injuries or illnesses in 2012 must post the form with zeros on the total line. All establishment summaries must be certified by a company executive.

The form should be displayed in a common area wherever notices to employees are usually posted. A copy of the summary must be made available to employees who move between work sites, such as construction workers, and employees who do not report to any one location on a regular basis.

You can download the forms from the Cal/OSHA website at *piasc.org* under the Human Resources in the first dropdown menu. Then click on *Cal/OSHA Recordkeeping Forms*.

Written Commission Agreement

By January 2, 2013, whenever a California employer enters into a contract with an employee where the method of payment involves a commission, the contract must be in writing. The contract will set forth the methods by which the commission will be computed and paid.

The employer must give a signed copy of the contract to the employee and must receive a signed receipt for the contract from the employee.

Finally, the California Court of Appeals, Second District, in *Keyes Motors, Inc. v. Division of Labor Standards Enforcement* (1987), clarified that compensation is considered commission if

- the employee is "involved principally in selling a product or service, not making a product or service"; and
- "the amount of their compensation [is] a percent of the price of the product or service."

Members can find a sample sales compensation agreement, with commentary, at *piasc.org* under the Human Resources tab. Scroll down to the Members Only Publications and follow the instructions.

Pollution Prevention Webinars

Kansas State University's Pollution Prevention Institute will host a series of four, one hour webinars for the printing industry. There is no cost for the training, but pre-registration is required.

The webinars target printers in Kansas, but any printer is invited to join the meetings

The first webinar is on January 17th. To learn more or pre-register, go to *http://www.sbeap.org/events/view/2013-webinar-series-for-printing-industry-in-kansas.*

Employer Mandate for Health Care

The Affordable Care Act's (ACA) "employer-shared responsibility" provisions (also known as the "employer mandate") will take effect on January 1, 2014. ACA requires employers to offer full-time employees and their dependents minimum levels of health coverage or be subjected to an excise tax. Here are two key aspects of ACA.

Employers Covered
The employer-shared provisions apply to only "applicable large employers," which the statute defines as employers with an average of at least 50 full-time employees during the preceding calendar year, taking into account "full-time equivalents."

Penalty for Noncompliance
The ACA imposes an excise tax on large employers that fail to meet their responsibilities under the statute. The formula for the penalty differs depending on whether the employer fails to offer any coverage to its full-time employees or offers coverage to one or more employees that does not meet the required standards. The latter applies only if one or more employees receive tax-subsidized coverage through an individual health insurance exchange.

The formulas for the different penalties are as follows:

- If the employer fails to offer coverage, it must pay a $2,000 per year penalty for each full-time employee. (The first 30 full-time employees are not counted in figuring the penalty.)
- If the employer offers coverage that doesn't satisfy specified minimum levels for one or more employees and those employees obtain tax-subsidized coverage through an individual health insurance exchange, the company must pay the lesser of a $3,000 per year ($250 per month) penalty for each affected employee or the penalty that would be applicable if the employer did not provide coverage at all.

Last Call for 2013 Posters

All California businesses must display up-to-date labor and safety notices, where all employees can see them to be in compliance with federal and state laws.

The 2012 all-in-one poster does not meet the federal and state 2013 requirements. Updated posters include those listed below:

- CalOSHA - Health & Safety Protection - (November 2012)
- CA Discrimination & Harassment is prohibited by Law (December 2012)
- CA Family and Medical Leave Notice B ((December 2012)
- CA Pregnancy Disability Leave Notice A (December 2012)
- CA Unemployment Insurance/Disability Insurance/Paid Family Leave (Revised 11/08 - Released December 2012)

The posters are

- Laminated on both sides and printed in high-quality full color
- Combo measures 27" x 39"
- Posters are guaranteed to be the most up to date versions available

The cost for the 2013 all-in-one poster is the same as last year, $24.50, which includes postage and sales tax. A credit card is required for purchase.

To order your posters, contact Marcos Uribe at *marcos@piasc.org* (323-728-9500, ext. 299) or you can order online at *piasc.org*.

New Taxes for Health Care

Several tax increases go into effect on January 1, 2013, to fund provisions in the Patient Protection and Affordable Care Act passed in 2010. They include the following:

Medicare Tax
Currently, a 2.9% Medicare payroll tax (1.45% from employees and 1.45% from employers) is the primary financing source for Medicare's hospital insurance trust fund, which pays hospital bills for beneficiaries, who are 65 and older or disabled.

Self-employed people pay the entire 2.9%, but are permitted to deduct half the amount for income tax purposes.

Tax on Investments
The new tax on investment income also is to support Medicare. That 3.8% tax will be imposed on the lesser of the individual's net investment income or the amount by which the individual's modified adjusted gross income (AGI) tops $200,000 (single) or $250,000 (married filing jointly).

Excluded from investment income are distributions from qualified retirement plans and any items taken into account for self-employment tax purposes.

Tax on Medical Devices
A new 2.3% tax will be levied on the gross sales of medical devices intended for use in a medical institution or by a medical professional.

The law included an exception from the tax for retail items purchased by the general public (not medical professionals) for individual use, such as eyeglasses, contact lenses and hearing aids.

Limits on Health Care Flexible Spending Plans.
Until now, there had been no limit to the amount of contributions to a flexible spending arrangement (FSA), which allows an employee to set aside a portion of earnings to pay for qualified expenses as established in a cafeteria plan. Starting January 1, 2013, allowable contributions to health FSAs are capped at $2,500 per year. In subsequent years, the limit will be indexed to the rate of inflation.

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