

Client Services Policy Manual

Policy Number: **ES-04**
Subject: **Deferred Payment of Assessment**
Chapter: **Employer Services**

Policy Statement

Employers may be permitted to pay their current year assessment on an installment basis within the current year. Installment payments must be made in advance for the full installment period.

Interest will be charged at the rate and under conditions as set in the Workplace Health, Safety and Compensation Regulations, 2023.

To be eligible to pay by installments, employers must have:

- Submitted payroll statements with the required information for all years;
- Had an annual assessment of \$50 or more;
- Provided a reasonable estimate of payroll for the current year; and,
- Paid all prior year adjustments in full within 30 days of the invoice date.

Reasonable Estimate

A reasonable estimate of payroll must be provided for the full year in order to qualify for installment payments. The estimate is defined as being at least equal to the prior year's actual payroll reported or the average of the three previous years. The employer may be required to demonstrate to WorkplaceNL's satisfaction why the payroll has changed if the estimate differs from these requirements.

Payroll Adjustments

Employers must advise WorkplaceNL of a change in circumstances and update their payroll estimate accordingly. A recalculation of payments will be made where the payroll estimate is revised throughout the year, and the amounts for the remaining installment periods will be adjusted accordingly.

Client Services Policy Manual

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Clearance

A clearance letter or clearance status can be obtained from WorkplaceNL's **connect** online services for most employer types. Clearance states that an employer is in good standing and has met the payment and reporting requirements of the Workplace Health, Safety and Compensation Act, 2022 to date.

Clearance cannot be issued for sale of business or assets with a deferred payment arrangement, as full payment is required to ensure there is no lien on the employer's assets. Clearance may be issued for financing transactions if a deferred payment arrangement is in place. After a deferred payment plan is in place for all accounts of the employer, Clearance for contracting and bidding purposes can be issued provided the employer has submitted a reasonable payroll estimate.

Deferred Payment Arrangements

For all employers, who meet the requirements listed above, equal installments may be made from April 1 to December 31 by Preauthorized Debit paid either:

Quarterly – 4 equal payments in April, June, September and December;

Monthly – every month on the same date;

Semi-monthly – twice monthly on the same dates each month, with the first payment between April 1 and April 15;

Bi-weekly – every two weeks on the same day, with the first payment between April 1 and April 14; or,

Weekly – every week on the same day, with the first payment between April 1 and April 7.

Current year assessments are not due until April 1, but an employer can request to start a deferred payment arrangement earlier in the calendar year. In this case, equal installments may be made from January 1 to December 31.

Client Services Policy Manual

Policy Number: **ES-04**
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No interest will be charged from April 1 to December 31 if employers avail of and comply with the agreed upon payment schedule.

Employers who default on any payment in this schedule will be charged interest monthly. The interest will be on the full outstanding balance until such time as any missed payments, interest and Non-Sufficient Funds (NSF) fees have been paid, and the account is again on track with the payment schedule.

Failure by an employer to meet the payment schedule may result in collection action being commenced by WorkplaceNL.

Optional Personal Coverage

Individuals, who purchase Optional Personal Coverage according to Policy ES-01 Optional Coverage, have the option to pay using a deferred payment arrangement via preauthorized debit. This deferred payment arrangement will take first payment on the day after the coverage is in place and each month thereafter, provided there is coverage for the month. Otherwise, payment is due in full at the time of the coverage.

Optional Personal Coverage accounts that default on any payments will have the coverage cancelled as of the start of the coverage period of the failed payment.

Merits and Justice

It is important to consider Policy EN-22 Merits and Justice when making a decision under this policy.

Client Services Policy Manual

Reference: Workplace Health, Safety and Compensation Act, 2022, Sections 120, 121, 139 and 147(1)(b)
Workplace Health, Safety and Compensation Regulations, 2023, Section 14
Policy ES-16 Clearance
Policy ES-01 Optional Coverage
Policy EN-22 Merits and Justice
Procedure 601.00 Payment of Account

Amendment History

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