



October 3, 2023

**CIRCULAR LETTER NO. 2421**

To All Members and Subscribers of the WCRIBMA:

**PAYROLL DETERMINATION FOR SOLE PROPRIETORS, PARTNERS OF LEGAL PARTNERSHIPS & MEMBERS OF AN LLC**

**EFFECTIVE OCTOBER 1, 2023  
APPLICABLE TO NEW AND RENEWAL BUSINESS**

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The Basis of Premium for sole proprietors, partners of a legal partnership, and members of an LLC who elect to become employees and obtain workers' compensation insurance coverage is a function of the State Average Weekly Wage (SAWW) and is calculated as follows:

Step 1: Initial Value = 70% x SAWW x 52 weeks

Step 2: Basis of Premium equals the Initial Value rounded to the nearest \$100.

Effective October 1, 2023, the SAWW in the Commonwealth of Massachusetts is \$1,796.72. Consequently, the Basis of Premium for sole proprietors, partners of a legal partnership, and members of an LLC who elect to become employees and obtain workers' compensation insurance coverage is **\$65,400**.

This change only affects new and renewal business effective on or after October 1, 2023.

Daniel M. Crowley, CPCU  
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