

IC 27-16-6

Chapter 6. Financial Requirements

IC 27-16-6-1

Financial requirements

Sec. 1. (a) A PEO or PEO group shall do one (1) of the following:

(1) Maintain positive working capital, as reflected in the financial statement submitted to the department by the PEO or PEO group under IC 27-16-4.

(2) If the PEO or PEO group does not meet the requirement of subdivision (1), maintain any of the following with a minimum aggregate value in an amount that is at least sufficient to eliminate the PEO's or PEO group's negative working capital plus one hundred thousand dollars (\$100,000):

(A) A surety bond.

(B) An irrevocable letter of credit.

(C) Cash.

(D) A combination of items listed in clauses (A) through (C).

(b) An instrument or cash described in subsection (a)(2) must be held by an institution designated by the department, securing payment by the PEO or PEO group of all taxes, wages, benefits, or other entitlement due to or with respect to covered employees in the event that the PEO or PEO group does not make the payments when due.

As added by P.L.245-2005, SEC.7. Amended by P.L.11-2011, SEC.44.

IC 27-16-6-2

Calculation of positive working capital

Sec. 2. An instrument or cash described in section 1(a)(2) of this chapter must not be included in the calculation of the positive working capital described in section 1(a)(1) of this chapter.

As added by P.L.245-2005, SEC.7. Amended by P.L.11-2011, SEC.45.