Employment Development Department
State of California

SOLE SHAREHOLDER/CORPORATE OFFICER EXCLUSION STATEMENT
(Section 637.1 of the California Unemployment Insurance Code [CUIC])

Eligibility Requirements

In a private corporation, any person who is a corporate officer and sole shareholder, or the only shareholder other than his or her spouse, may file a statement electing to be excluded only from State Disability Insurance (SDI) coverage for contributions and benefits, which includes Paid Family Leave (PFL).

I hereby declare that I am a corporate officer of the above-named private corporation, and I am

CHECK ONLY ONE
- ☐ the sole shareholder, or
- ☐ the only shareholder other than my spouse.

Please print or type. Prepare an original and retain a copy with your payroll records. Mail or fax immediately upon completion to the address or fax number shown on the Reporting Instructions. **Your exclusion is effective in the calendar quarter filed**.

Employer Account Number _____

Federal Employer Identification Number (FEIN) _____

Secretary of State Corporate Entity Number _____

Corporation Name _____

Doing Business As _____

Corporation Mailing Address _____
Street City State ZIP Code

Contact Person's Phone Number (___)_____ Fax Number (___)_____

Sole Shareholder's Name _____ SSN _____

Sole Shareholder's Spouse's Name _____ SSN _____

Election Statement

☐ I hereby elect to be excluded from any rights to SDI benefits based on wages paid to me by this corporation.
☐ Spouse (if electing to be excluded).

IMPORTANT - PLEASE NOTE CAREFULLY

The corporation must report your wages and pay contributions for Unemployment Insurance (UI) and Employment Training Tax (ETT) unless your corporation is not subject to the Federal Unemployment Tax Act (FUTA). (Refer to Section 637 of the CUIC.) Only certain types of nonprofit and agricultural corporations are not subject to FUTA.

I understand that this statement is effective in the calendar quarter filed and is effective during the remainder of the calendar year in which the statement is filed and for not less than the two succeeding complete calendar years, and in all subsequent calendar quarters until withdrawn. Any changes in the ownership of the stock or status of the corporate officer may terminate this exemption. I also understand that this exclusion applies only to SDI taxes administered by the State of California and has no effect on the administration of federal UI taxes.

Sole Shareholder's Signature _____ Date _____

Sole Shareholder's Spouse's Signature _____ Date _____

FOR DEPARTMENT USE ONLY

EFF. DATE _____ LTR. SENT _____

EXAMINER _____ DATE _____

SEE THE FOLLOWING REPORTING INSTRUCTIONS