



**APPLICATION TO EXEMPT CORPORATE OFFICERS  
OR LIMITED LIABILITY COMPANY MANAGERS  
FROM UNEMPLOYMENT INSURANCE COVERAGE**  
JSND/UNEMPLOYMENT INSURANCE  
SFN 18411 (R.8-06)

JOB SERVICE NORTH DAKOTA  
UI/TAX & FIELD SERVICES  
PO BOX 5507, BISMARCK ND 58506-5507  
701-328-2814  
TOLL-FREE 800-472-2952  
TTY: RELAY ND 800-366-6888

Check our Web Page at  
[www.jobsnd.com](http://www.jobsnd.com)

Section 52-01-01(14) of the North Dakota Unemployment Compensation Law provides that officers of a corporation, and managers of limited liability companies (LLCs) treated as corporations for federal income tax purposes, and those managers of any LLC who are not members are considered employees. However, some of these employees may apply to exclude their wages from employment. Section 52-01-01(17)(a)(1) and (2) provides that:

"If a corporate officer is employed by a corporation in which one-fourth or more of the ownership interest, however designated, is owned or controlled by the officer or by the officer's parent, child, or spouse, or by any combination of them, the corporation with the concurrence of the officer may exclude that officer's service from employment as of the first day of January of any calendar year if, during January of that year, the corporation files a written application to exclude the officer's service from employment or as of the formation of the corporation if, within sixty days of the formation, the corporation files a written application to exclude the officer's service from employment."

"If a limited liability company manager is employed by the limited liability company in which one-fourth or more of the ownership interest, however designated, is owned or controlled by the manager or by the manager's parent, child, spouse, or by any combination of them, the limited liability company with the concurrence of the manager may exclude that manager's service from employment as of the first day of January of any calendar year if, during January of that year, the limited liability company files a written application to exclude the manager's service from employment or as of formation of the limited liability company if, within sixty days of the formation, the limited liability company files a written application to exclude the manager's service from employment. This exclusion from employment does not apply to any limited liability company that is wholly owned by or operates as an Indian tribe, state or local government, or nonprofit organization with respect to services performed for those entities which are required by federal law to be covered under the North Dakota unemployment compensation law."

Wages exempted under this provision will not be subject to North Dakota unemployment insurance taxes or usable on future claims for unemployment insurance benefits.

The employer should be aware that the Federal Unemployment Tax Act does not provide for this exemption. FUTA tax ramifications should be examined before selecting this option.

Business Name	Corporate or Legal Name
	Unemployment Insurance Account No.

**Officers/Managers to be Excluded:**

Name	Title	Social Security Number*	% Ownership**	Signature***

\* In compliance with the Privacy Act of 1974, a Social Security Number is mandatory on this form pursuant to 20 CFR 666.150 and/or North Dakota Century Code 52-02-02. This number is used by Job Service North Dakota for identification, federal and state tax, program eligibility purposes and program performance accountability.

\*\* If ownership is less than 25%, indicate relationship that qualifies this individual for exemption.

\*\*\* Signature indicates the officer/manager consents to be excluded from unemployment insurance coverage.

I certify that the officers/managers listed above meet the exemption requirements.

Signature of Authorized Representative	Phone	Date
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**This application must be mailed or delivered to the address above by January 31 of the year in which the exemption is to become effective or within 60 days of the formation of the corporation or Limited Liability Company, whichever applies. Job Service North Dakota will notify in writing of the acceptance or denial of the exemption.**

Job Service North Dakota is an equal opportunity employer/program provider.  
Auxiliary aids and services are available upon request to individuals with disabilities.