



Ohio Administrative Code Rule 4141-1-01 Definitions of employers.

Effective: [May 3, 2024](#)

(A) Employer defined

For the purposes of rules in agency 4141 of the Administrative Code, unless the context of a particular rule clearly has a contrary meaning, the term "contributory employer" is to mean an employer liable for the payment of contributions. The term "reimbursing employer" is to mean a public entity or Indian tribe as defined in division (A) of section 4141.242 of the Revised Code, or a nonprofit organization that has elected to make payments in lieu of contributions under section 4141.241 of the Revised Code. When the term "employer" is used it means the rule is applicable to either a contributory or a reimbursing employer.

(B) General partnerships

General partners in a general partnership or a limited partnership are not in the employment of the partnership. Such general partners will not be considered in determining the total number of individuals in the employment of a firm. Wages received by the general partners do not constitute remuneration under Chapter 4141. of the Revised Code.

(C) Limited partnership associations, limited partnerships and limited liability companies

(1) Members of a limited partnership association, as that term is defined in Chapter 1783. of the Revised Code, are deemed to be in the employment of the association if performing services for remuneration for the association.

(2) Individuals who are limited partners in a limited partnership pursuant to Chapter 1782. of the Revised Code will be considered in the employment of the limited partnership to the extent that remuneration in a form other than share of profits is received by such limited partners for services performed for the limited partnership.



(3) The determination as to whether individuals are in covered employment with a single-member limited liability company for the purposes of Chapter 4141. of the Revised Code will be determined based on the limited liability company's tax classification for federal income and federal unemployment tax purposes as follows:

(a) The member of a single-member limited liability company that has not elected to be treated as a corporation will be treated as a sole proprietor. Services performed for the limited liability company by family members of the sole proprietor, as that term is defined by division (B)(3)(f) of section 4141.01 of the Revised Code, will not constitute covered employment with the limited liability company.

(b) The member of a single-member limited liability company that has elected to be treated as a corporation will be considered to be in covered employment with the limited liability company if the member receives remuneration for services rendered to the limited liability company or renders services in anticipation of receiving remuneration from the limited liability company.

(c) If the member of a single-member limited liability company is a corporation, a corporate officer of that corporation will be considered to be in covered employment with the limited liability company if the officer receives remuneration for services rendered to the limited liability company, or renders services to the limited liability company in anticipation of receiving remuneration.

(4) The determination as to whether individuals are in the employment of a multi-member limited liability company for the purposes of Chapter 4141. of the Revised Code will be determined based on the limited liability company's tax classification for federal income and federal unemployment tax purposes, as follows:

(a) If all of the members of a multi-member limited liability company that has not elected to be treated as a corporation are individuals, the members will be treated as partners. Services performed for the limited liability company by family members of the sole proprietor, as that term is defined by division (B)(3)(f) of section 4141.01 of the Revised Code, will not constitute covered employment with the limited liability company.

(b) If the members of a multi-member limited liability company that has elected to be treated as a



corporation are two or more individuals, they will be considered to be in covered employment with the limited liability company if they receive remuneration for services rendered to the limited liability company, or render services to the limited liability company in anticipation of receiving remuneration.

(c) If the members of a multi-member limited liability company are corporations, a corporate officer of any of those corporations will be considered to be in covered employment with the limited liability company if the officer receives remuneration for services rendered to the limited liability company, or renders services to the limited liability company in anticipation of receiving remuneration.

(D) Corporate officers and directors

(1) If an officer of a corporation received remuneration for services rendered to the corporation or renders services in anticipation of receiving remuneration from the corporation, the officer will be considered in the employment of such corporation as provided in division (B)(1) of section 4141.01 of the Revised Code.

(2) Remuneration received by an officer of a corporation for services performed for the corporation which meets the terms of paragraph (A) of this rule is not to be treated as partnership income by what may be known as a "subchapter-S" arrangement or by some other similar arrangement. Distributions and other payments by a "subchapter-S" corporation to a corporate officer or shareholder will be treated as wages to the extent the amounts are reasonable compensation for services to the corporation by an employee.

(3) A director of a corporation who performs only the usual duties of a director will not be considered in the employment of such corporation.