



Premium Audit – General Liability Policy (Based on Sales)

This article provides helpful information regarding the documents you will need to provide for your premium audit. Two types of documents are required to complete your Premium Audit: a source document showing transactions or payments during your policy period and a verification document, such as tax forms that are used to verify the source documents.

- The **source documents** should match as closely to your policy period as possible. For sales information, you can round to the first of the month (it is acceptable to deviate from the policy period by 30 days.) For example, if your policy period is 6/15 - 6/15 you can provide gross sales for 7/1 to 7/1 or 6/1 to 6/1.
- The **verification documents** may not line up with your policy period. If your policy period falls in the middle of the month, simply provide the most recent (or annual) tax reports that most closely aligns with your policy period.

General Liability – Sales Based

Your General Liability premium audit will require you to provide sales information during the course of your policy period. Specific information required is detailed below. Additional information may be found [online](#).

Refer to [Helpful Tips - GL Sales](#) to learn more about preparing for your premium audit.

You will need to provide **one source document** and **one verification record** for your policy period. You may print this article to use as a check list to assist you in gathering the documents necessary to complete your audit:

| SALES INFORMATION | |
|--|--|
| <i>For your audit time period, provide sales information for one of the options below.</i> | |
| Option 1 | |
| Source Documents (choose one) | Verification Documents (choose one) |
| <input type="checkbox"/> Sales Journals - Provide gross sales (prior to any deductions such as returns or discounts). | <input type="checkbox"/> Federal Tax Returns |
| <input type="checkbox"/> General Ledger | <input type="checkbox"/> State Sales Tax Returns |
| | <input type="checkbox"/> Income Statements/Profit & loss Statement |
| Option 2 | |
| Source Documents | Verification Documents |
| <input type="checkbox"/> Income Statements/Profit & Loss Statement | None Required |

Please note: Your auditor may ask for additional items as requirements vary by state. Contact your Agent or Producer with questions concerning your particular situation.