

PROVING LOST WAGES OR INCOME CLAIM FOR ACCIDENT VICTIMS


PRESENTED BY



LAW OFFICES OF
STUART L. PLOTNICK, LLC
PROUDLY SERVING MARYLAND, VIRGINIA AND WASHINGTON, D.C.

There are **2 elements** that we must show to support any claim that you make for lost wages:

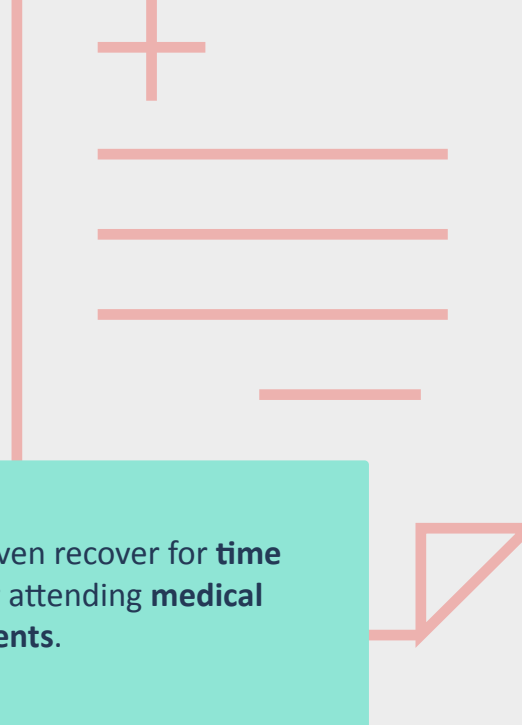
PART 1: DOCTOR OR MEDICAL EXCUSE FROM WORK



We first must show...


...that you were **disabled from work**. This is shown by **disability slips or a medical report** from your doctor documenting that you were placed on work restriction.

You may even recover for **time missed** for attending **medical appointments**.




PART 2: LOST INCOME

AN EMPLOYEE:

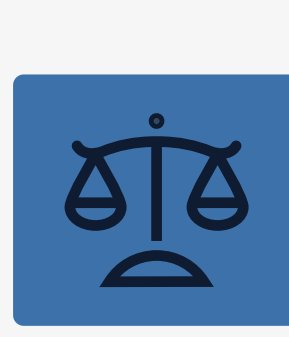


In the case of somebody who works for a company or another person, your employer, in most cases, must fill out a **form documenting/verifying** the time you missed from work and why.

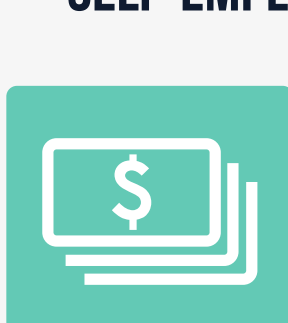


Remember, the **doctor must still provide you with a disability slip** that matches the time your employer indicates that you missed.

Then, we just multiply

your daily earnings or salary \times by the number of days missed = 

SELF-EMPLOYED PERSONS/INDEPENDENT CONTRACTORS:



When you are self-employed, **insurance companies are more skeptical** because you are making the claim yourself. There is a tendency to think that people will **exaggerate their lost income** in order to get more money.

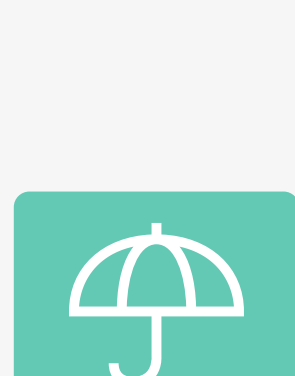
Unlike being an employee, where the employer is not likely to be willing to provide wage loss information that is exaggerated or inaccurate, in the case of a self-employed person, this same level of **trust is not given to them** for somewhat obvious reasons.




AS A RESULT,

Insurance companies and lawyers want **back-up documentation and proof** that actually supports your claim.

CONSEQUENTLY,



The insurance companies want proof of **actual contracts, projects, jobs, or proposals** showing the work that had to be turned away or the victim lost out on due to injuries sustained in the accident.



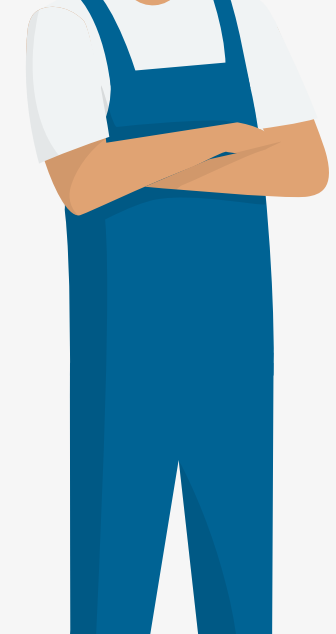
Like with an employee, you will still need **medical proof** that you were **unable to work**, but here, they will want the **underlying (lost) earnings materials** such as **contracts, proposals, and income statements** that support your claims of lost income.

NET INCOME OR PROFIT ONLY:

Keep in mind if you are self-employed, the lost income amount is not the **gross payment or income from the job or customer**. It is the **net profit** you would have earned **after costs and overhead**.

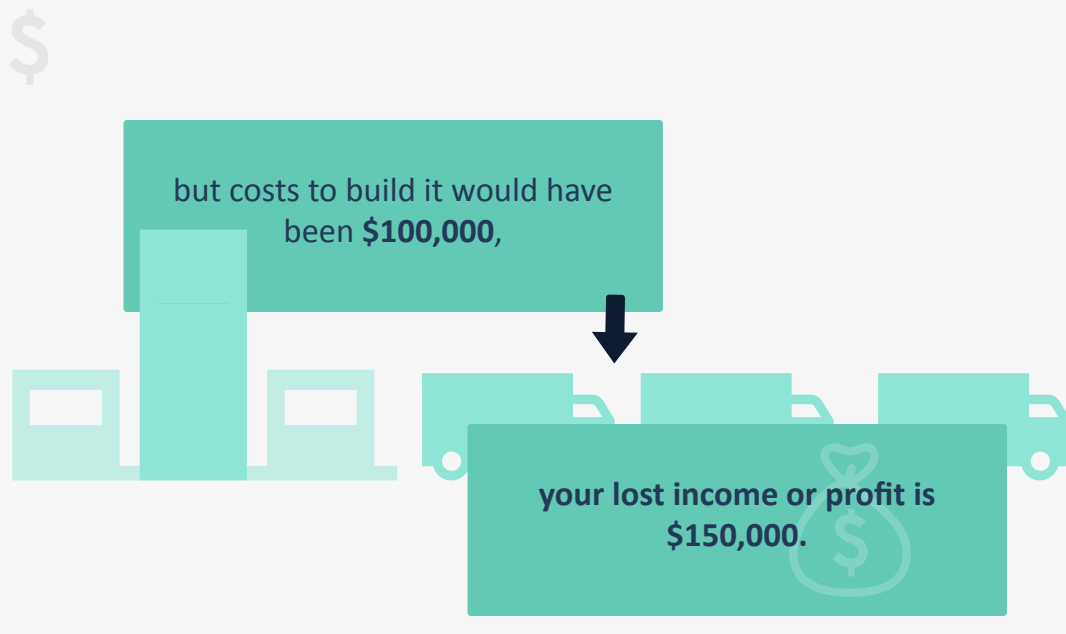
EXAMPLE:

So, if you are a builder, and you have contracted to build a **\$250,000 house**,



but costs to build it would have been **\$100,000**,

your lost income or profit is **\$150,000**.



TYPES OF INCOME PROOF—SELF EMPLOYED

The kinds of things we give the insurance companies to prove your **lost income claim** when you're **self-employed**:

Tax returns or income statements showing what the injured party was earning before the accident versus after the accident during the same timeframe in years or months before the accident.

So, if the accident occurred in **2017** we show them tax returns and income statements from

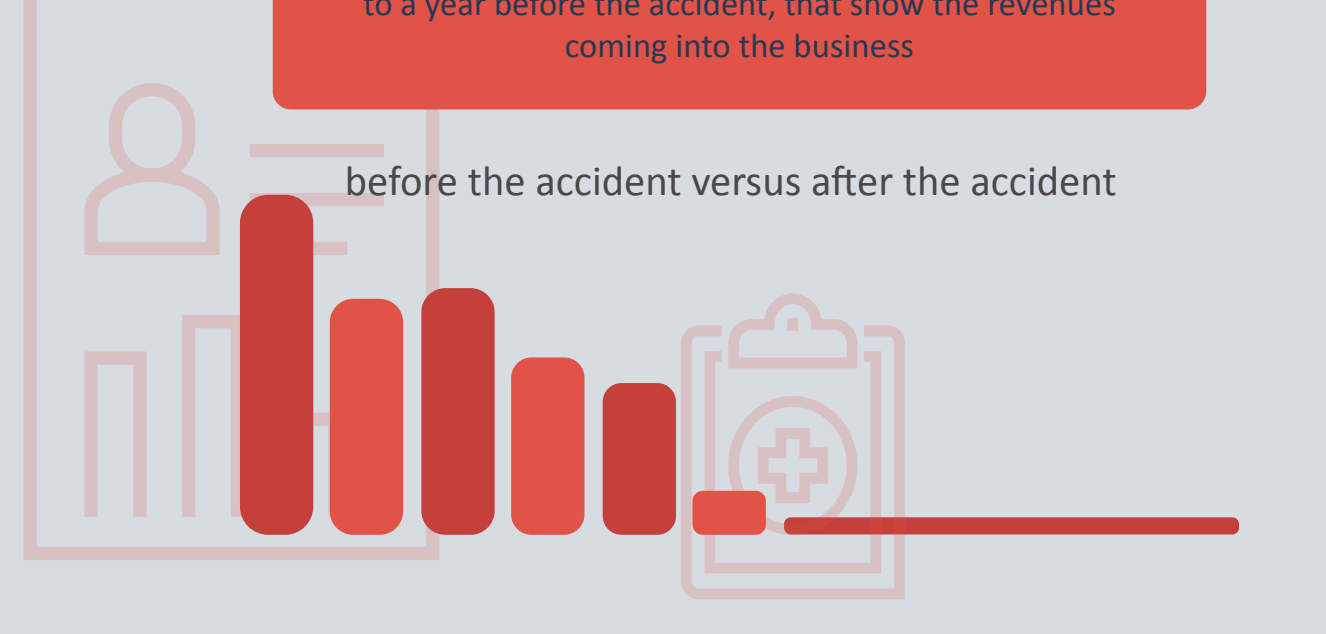


2015 and 2016

compared to **2017** and after

Pay records or income statements going back six months to a year before the accident, that show the revenues coming into the business

before the accident versus after the accident



Copies of documents such as **contracts or work orders** for projects that were lost because the claimant could not work during this time period,

and the amount of **lost profit** he or she would have made.

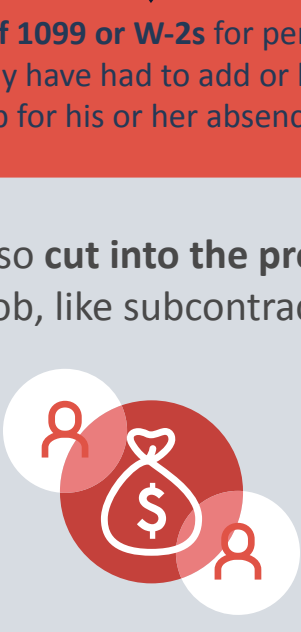



One must have had the contract at the time or be able to show with **strong certainty** that he or she would have gotten the contract

and have been able to complete work if not for the accident.

Copies of **1099 or W-2s** for persons the claimant may have had to add or hire to make up for his or her absence,

which also **cut into the profit** from the job, like subcontractors.



If you must add workers or hire subcontractors in order to complete the job, you must pay them, which impacts your bottom line.

This results in lost income.



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