



# Alaska Employer Unemployment Insurance Tax



Frank H. Murkowski, Governor

Greg O'Claray, Commissioner

Thomas Nelson, Director

## JUNEAU CENTRAL OFFICE

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Toll Free 1-888-448-3527  
FAX (907) 465-2374  
Email: [esd\\_tax@labor.state.ak.us](mailto:esd_tax@labor.state.ak.us)  
TDD - Relay Alaska Operator  
1-800-770-8973

## UI TAX OFFICES

UI Tax Representative  
Toll Free 1-888-448-2937

Anchorage UI Tax  
3301 Eagle St., Rm. 106  
P.O. Box 241767  
Anchorage, AK 99524-1767  
(907) 269-4850  
FAX (907) 269-4845

Fairbanks UI Tax  
675 Seventh Ave.  
Station L  
Fairbanks, AK 99701-4595  
(907) 451-2876  
FAX (907) 451-2883

Juneau UI Tax  
1111 W. Eighth St.  
Rm 203  
P.O. Box 115509  
Juneau, AK 99811-5509  
(907) 465-2787  
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Kenai UI Tax  
11312 Kenai Spur Hwy.  
Suite 2  
Kenai, AK 99611-9106  
(907) 283-4478  
FAX (907) 283 -5152

Wasilla UI Tax  
877 Commercial Drive  
Wasilla, AK 99654-6937  
(907) 373-2682  
FAX (907) 373-2683

## 2006 UI Tax Rates and Taxable Wage Base

You should have recently received your 2006 employer and employee tax rate notice. The tax rate notice also includes the 2006 taxable wage base. If you have questions about your rate, please call the Employer Account Specialist Unit at our Juneau Central Office at 1-888-448-3527 or 907-465-2757. You can also email UI Tax at [esd\\_tax@labor.state.ak.us](mailto:esd_tax@labor.state.ak.us).

## You Can Reduce Your UI Tax Rate

**If you pay bonuses or issue payroll on a biweekly basis, you may be able to reduce your UI Tax rate.**

Alaska's rate system is based on **quarterly wage declines**. A decline in quarterly wages exists when the amount of total wages you report reflects a decrease from one quarter to the next. The higher the decline in wages, the higher your tax rate may be. There are several factors that may create **artificial quarterly declines**, such as:

- Bonus payments
- Biweekly payroll systems
- Issuance of lump-sum payments
- Paying a labor dispute settlement
- Changes in your accounting or payroll methods

"Employer Option Forms" are enclosed with your Annual Rate Notice and may be used to help equalize any quarterly declines caused by these variables. Employer Option Forms enable employers to delete or apportion wage payments. This helps to stabilize your payroll from one quarter to the next, thus obtaining a more favorable tax rate.

Questions regarding employer options and requests for Employer Option Forms should be directed to the UI Tax Employer Account Specialist Unit at 1-888-448-3527. Employer Option Forms, in addition to a variety of other UI Tax forms, are available online at:

[www.labor.state.ak.us/estax](http://www.labor.state.ak.us/estax)

## Regulation Changes

Effective March 4, 2006, quarterly contribution reports with wage schedules listing 250 or more employees or a combination of wage schedules totaling 250 or more employees are required to be filed over the Internet or by magnetic media. Employment Security Tax encourages all employers and their agents to file reports, submit payment and view account balance and payment history over the Internet at [www.labor.state.ak.us/estax](http://www.labor.state.ak.us/estax).

If you have questions about this requirement or any of our online services, contact one of the field tax offices listed on the front of this publication. For more information on filing your quarterly report using magnetic media, contact Courtney Hansen at 907-465-1877.

## Oh No, Not Another Audit

Does it seem like you're always being audited by the Alaska Department of Labor and Workforce Development? The department has Field Tax auditors, Wage & Hour investigators, Unemployment Insurance Fraud investigators and Unemployment Insurance (UI) Quality Control (QC) auditors. Each may ask you to verify hours worked, employment security taxes paid, new hire information, etc. All auditors work to protect the tax dollars you pay into the UI trust fund.

QC audits are required by the federal government to identify and reduce errors in the payment of UI benefits. Alaska has eight QC auditors statewide which are based in Juneau, Anchorage and Fairbanks. QC auditors investigate randomly selected UI claims from beginning to end. The QC auditor will ask for personnel information and may ask that you provide copies of past payroll records, current payroll records, time sheets and timecards, or to verify employee separation information. All of this information is important in determining whether UI benefits have been properly paid. QC auditors also verify school attendance with training facilities, union status, job registration and work search contacts. By investigating randomly selected UI claims and compiling statistical data, the accuracy of UI payments can be ascertained. If there are any over/underpayments, the responsibility and causes can be determined. This statistical information is loaded into a national database with audits from UI programs in other states. The data is reviewed at a national level. Suggestions for changes in programs and policies are then administered to help the UI program run more efficiently and ensure UI benefits are being paid out properly.

QC auditors have a federally mandated time frame to complete audits. Your prompt response and cooperation are always appreciated. Each QC auditor's phone, fax and email contact information is always provided with any request for information.

Next time you receive a request from a QC auditor, please take the time to assist by meeting the auditor in person or providing the requested documentation by fax or mail. It is a very important step in protecting your UI tax dollar investment.