



# Alaska Employer

Newsletter

## Unemployment Insurance Tax



ALASKA DEPARTMENT OF LABOR  
& WORKFORCE DEVELOPMENT

Bill Walker, Governor

Heidi Drygas, Commissioner

Mike Andrews, Director

September 2015

### Questions about your account or contributions?

#### CONTACTS

##### Juneau Central Office

P.O. Box 115509  
Juneau, AK 99811-5509  
Phone: (907) 465-2757  
Toll free: (888) 448-3527  
Fax: (907) 465-2374  
Email: ESD.Tax@Alaska.Gov  
Relay Alaska: (800) 770-8973

#### UI TAX OFFICES

##### Anchorage

P.O. Box 241767  
Anchorage, AK 99524-1767  
Phone: (907) 269-4850  
Fax: (907) 269-4845

##### Fairbanks

675 7th Ave., Station L  
Fairbanks, AK 99701-4595  
Phone: (907) 451-2876  
Fax: (907) 451-2883

##### Juneau

P.O. Box 115509  
Juneau, AK 99811-5509  
Phone: (907) 465-2787  
Fax: (907) 465-2374

##### Kenai

145 Main Street Loop,  
Suite 143, Kenai, AK 99611  
Phone: (907) 283-0350  
Fax: (907) 283-5152

##### Wasilla

877 Commercial Drive  
Wasilla, AK 99654-6937  
Phone: (907) 352-2535  
Fax: (907) 352-2581

#### UI Tax Representative

Toll free: (888) 448-2937

## File Your Zero Reports Early

If you are a seasonal employer who traditionally files "zero" reports for quarters your business is closed for the season (quarters where no wages were paid), why not make those reports part of your closing ritual? Mail zero reports to us when you close for the season and we will post them on the appropriate quarter due date. Currently, the Employment Security Tax Online System does not provide for future reporting however, you may file your reports early on paper and send them to us through the mail. The Alaska Quarterly Contribution Report can be located online at [labor.alaska.gov/estax/forms/toc\\_forms.htm](http://labor.alaska.gov/estax/forms/toc_forms.htm).

## Penalty Rate Prevention

**This year, 227 Alaska employers received a Penalty rate.**

Experience rates for employers in 2015 span from one percent to 2.45 percent, with a taxable wage base of \$38,700. Most Experience rated Alaska employers will pay no more than \$948.15 per employee. The 227 Penalty rated employers are taxed at 5.4 percent and therefore pay more than twice the amount per employee than the highest rate for an Experience rated employer.

### Penalty rates are expensive and preventable!

For your business to receive an Experience rate instead of a Penalty rate: ensure all of the quarterly contribution reports are submitted and there are no outstanding dues for contributions, penalties and interest on your or your predecessor account(s). If you have questions, call.

## Alaska Unemployment Insurance to Introduce SIDES in November 2015

Are you interested in freeing your business from paper UI benefit forms? We now have a solution! Developed through a partnership between USDOL and the state Unemployment Insurance (UI) agency, the State Information Data Exchange System (SIDES) and SIDES E-Response offers employers nationally standardized electronic forms to efficiently and accurately respond to UI benefit information requests. SIDES is free of charge, secure, ensures accurate exchanges, and reduces administrative costs, saving your business TIME and MONEY!

If interested, contact the UI Technical Unit at [jnu.uitech@alaska.gov](mailto:jnu.uitech@alaska.gov) for more information.

## Reduce Your 2016 Tax Rate

The annual process of determining employer tax rates for calendar year 2016 will begin soon. Employer tax rates are calculated using quarterly payroll information ending with June 30 each year (using a maximum of 12 quarters). As an employer, there are things YOU can do to ensure you receive the **lowest tax rate possible**. Factors that may unfavorably affect your tax rate include:

- a balance due on your account,
- missing reports for any quarter and
- a balance due or missing reports on your predecessor's account.

Contact any of the offices listed in this newsletter. Our staff can:

- establish deferred payment contracts,
- advise you of rate-lowering options,
- assist you in the completion of our forms and
- confirm contributions and reports are posted correctly to your account or to your predecessor's account.

## Successor Employer Responsibilities

A successor is an employer who acquires a substantial portion of the operating assets of an organization, trade or business. Assets can include employees, equipment, contracts, clients, and more. To ensure the predecessor's debt is paid in full, Alaska Statute 23.20.260 requires the successor take the following actions:

- The successor must register the business.
- The successor should withhold enough purchase money to cover the amount of taxes due or request a tax clearance.
- The successor should consider the wages paid by the predecessor when computing taxable wages for the remainder of the calendar year in which the business was acquired. If the successor does not take into consideration the predecessor's wages when calculating the employee's portion of the UI Tax, the successor will be responsible for refunding the employee any amount totaling over \$220.59 collected from the employee by the predecessor and successor for 2015.

For additional information on successor/predecessor responsibilities, contact your local field tax office listed in this newsletter.

**Quarterly reports and payments  
are due by Oct. 31.**