



# Alaska Employer Unemployment Insurance Tax



Sean Parnell, Governor

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## UI TAX OFFICES

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877 Commercial Drive  
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## Pay Bonuses? Consider Options

Last quarter, employers received an **Employer Option Form** with the fourth quarter Contribution Report Form. By using this form employers may be able to help equalize some artificial quarterly payroll declines.

A decline in quarterly wages exists when the amount of total wages reported reflects a decrease from one quarter to the next. Artificial payroll declines can be caused by issuing bonuses, biweekly payrolls, lump-sum payments, labor dispute settlements, changes to accounting methods, or payroll issued in a different quarter than normal. The higher the decline in wages from one quarter to the next, the higher the employer tax rate may be.

The "Employer Option Form" enables employers to choose to delete or apportion wage payments from the rating process in order to stabilize payroll from one quarter to the next. Stabilizing payroll may provide a more favorable tax rate.

For questions concerning the options available to employers, call your local unemployment insurance tax office. Employer option forms are available online at [labor.alaska.gov/estax/forms/toc\\_forms.htm](http://labor.alaska.gov/estax/forms/toc_forms.htm).

## Some Employees Eligible for Refunds

Employees who worked for more than one employer may be eligible for an unemployment insurance (UI) tax refund if they paid more than \$163.50 in unemployment taxes in 2009. The refund form and instructions are available at [labor.alaska.gov/estax/forms/toc\\_forms.htm](http://labor.alaska.gov/estax/forms/toc_forms.htm).

## Occupational Code Changes

Recent updates to the Standard Occupational Classification (SOC) system may require a change for some employers when filing their contribution report for the first quarter of 2010. SOC Codes are updated every 10 years to address new and evolving occupations and to delete and revise others.

Employers are required by law to include occupational codes on their quarterly report forms. The department uses the codes for statistical purposes.

For a complete list of the codes affected by the change, visit our Web site at [labor.alaska.gov/estax/forms/toc\\_forms.htm](http://labor.alaska.gov/estax/forms/toc_forms.htm).

## Alternate Base Period Changes

All states use a base period, or base year, to determine whether laid off workers have earned enough wages to qualify for UI benefits. Alaska's regular base period is the first four of the last five completed quarters.

In the last legislative session, Senate Bill 170 passed and was signed by the governor, allowing claimants who do not qualify for benefits using a regular base period to use newer wages to establish a claim.

For claimants who submit a new claim effective on or after Jan. 10, 2010, and do not meet the minimum earnings requirements in the regular base period, the claim will be recomputed using an alternate base period. This period consists of the last four completed calendar quarters before the starting date of the claim. While the claim must still meet the same overall earnings requirements, the alternate base period will allow some of the more recent wages to be used when establishing the claim.

## File Online, Keep Employer Tax Rates Lower

Almost half of Alaska employers used Tax Online Services to file fourth quarter 2009 Quarterly Contribution Reports.

Employment Security Tax Online Services are easy and convenient. Using these services, employers can:

- Enter quarterly wage information
- Submit zero or "no wages" reports
- Make payments through electronic funds transfer (EFT)
- View balance and payment history
- Update registration information
- Register a new business or change business type
- Request to close an account

In addition to being convenient for employers, online reporting also helps the Alaska Department of Labor and Workforce Development detect and prevent unemployment insurance fraud up to four weeks quicker than reports filed by mail. Preventing payments of fraudulent unemployment insurance benefits helps keep the UI Trust Fund healthy and employer tax rates lower.

To file quarterly contribution reports online and make payments electronically go to **[labor.alaska.gov/estax](http://labor.alaska.gov/estax)**.