



Alaska Employer

Newsletter

Unemployment Insurance Tax



ALASKA DEPARTMENT OF LABOR
& WORKFORCE DEVELOPMENT

Mike Dunleavy, Governor

Dr. Tamika L. Ledbetter, Commissioner

Patsy Westcott, Director

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Questions about your rate, 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

FIELD 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

Mat-Su

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

UI Tax Representative

Toll free: (888) 448-2937

Prevent a penalty rate for next year

Employer tax rates are calculated based on the quarterly reporting history of payroll information. This year, 194 Alaska employers received the penalty rate. As an employer, you can ensure you receive an experience tax rate instead of a penalty tax rate for 2023 by confirming your quarterly contribution reports and payments have been submitted. Do not ignore notices from our agency regarding missing reports or payments. If you are not sure of the status of your account, contact our agency. Your auditor can assist you to bring your account current or to establish a deferred payment plan that will prevent you from receiving a penalty rate.

Experience rates this year span from 1.00 to 2.44 percent. With the taxable wage base of \$45,200, most employers will pay no more than \$1,102.88 per employee. An employer with the 5.40 percent penalty rate could be liable up to \$2,440.80 per employee, more than double the amount of an experience-rated employer.

Upload ES Tax documents with TaxWeb

Did you know certain ES Tax forms can now be uploaded through TaxWeb? If you need to submit forms such as a Power of Attorney, Correction of Wage Item, Payroll Option or Change Notification, take advantage of this new tool. Access TaxWeb by going to tos.dol.alaska.gov/tos and sign in through myAlaska. The "Upload Document" option can be found under "User Services" on the main employer services menu. After the form has been submitted, the status will show as "Pending." Once the form has been processed the status will change to "Reviewed," and a confirmation email will be sent.

Hiring summer help?

Workers hired to provide services within your usual course of business are employees. Whether you pay the worker for one day, one hour or even \$1, these payments are considered wages and must be reported on your quarterly contribution report. There is no provision in the law that excludes a worker from employment simply because they work less than full-time or are temporary. Examples of paid employees who should be included on your quarterly tax report are:

- Tour guides/bus drivers
- Seasonal employees
- Day labor/casual labor
- Sports officials
- Student working in tourism industry
- Street vendor workers
- Fill-in or temporary staff
- Hunting or fishing guides
- Fair or carnival workers
- Seasonal pilots
- Boat operators and crews
- Camp counselors

Alaska Economic Trends Magazine is a monthly publication that covers a broad range of economic issues. To view the electronic magazine, search articles and archives, and sign up for a FREE electronic subscription visit labor.alaska.gov/trends.

Update regarding SIDES

National Association of State Workforce Agencies (NASWA) announced the launch of the modernized State Information Data Exchange System (SIDES) E-Response platform. This upgrade will enhance integrity and provides customers with an easier and more thorough experience.

The new system, which debuted March 23, 2022, has several modifications to help employers provide higher-quality responses to unemployment insurance requests which include:

- Fraud indicators alerting state workforce agencies that immediate action is needed
- New process to collect employment details from temporary staffing agencies
- Gathering better up-front information on employee separation to reduce follow-up time
- The ability to upload supporting information pertaining to human resource documentation

Employers currently registered to receive and respond to UI claims electronically or who utilize a vendor for processing claims do not need to take action to continue participation. Employers receiving UI requests by paper who are interested in joining the SIDES electronic claims system should contact their state workforce agency at dol.sides@alaska.gov.

Free fidelity bonds help employers, ex-offenders

Fidelity bonding is a proven and effective job placement tool that helps concerned employers and at-risk job seekers.

The Alaska Fidelity Bonding Program offers no-cost, no-deductible bonds to employers who hire at-risk employee such as ex-offenders, people recovering from substance abuse, those with poor work or credit histories, and workers who are not otherwise bondable.

Bonds insure employers against any job-related theft, forgery, larceny, or embezzlement by an employee, on or off the worksite. The opportunity to obtain a free fidelity bond allows the employer to focus on a worker's skills and productivity without taking on the added task of worker dishonesty. It is the only program that bonds ex-offenders.

Nationwide, 99 percent of bonded at-risk workers have proven to be honest employees. Employers can bond any full or part-time, permanent, or temporary, new, or returning employee who meets the state's legal age requirement to work. Under some circumstances, no cost bonds may also be available for employers wanting to promote or retain at-risk workers. The self-employed are not eligible.

Bonds may be issued without the need to sign forms. It takes just a few minutes for Alaska Job Center staff to take down information about the employer, employee, and hire date for the bond to take effect. The basic bond is \$5,000 and is effective for six months. Larger amounts and renewals are available in some circumstances, and the employer may also continue coverage directly with the underwriter if there were no claims in the first six months.

For more information about Alaska's Fidelity Bonding Program, visit labor.alaska.gov/bonding, contact the Alaska Job Center at jobs.alaska.gov/offices, or contact the fidelity bonding coordinator at dol.fidelitybondingprogram@alaska.gov.

**Second quarter reports and payments
are due by July 31, 2022.**