



# Alaska Employer Unemployment Insurance Tax



Sarah Palin, Governor

Clark Bishop, Commissioner

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## JUNEAU CENTRAL OFFICE

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Email: [esd\\_tax@labor.state.ak.us](mailto:esd_tax@labor.state.ak.us)  
TDD - Relay Alaska Operator  
(800) 770-8973

## UI TAX OFFICES

UI Tax Representative  
Toll Free (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  
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Juneau UI Tax  
1111 W. Eighth St., Rm. 203  
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(907) 465-2787  
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Kenai UI Tax  
11312 Kenai Spur Highway,  
Suite 2, Kenai, AK  
99611-9106  
(907) 283-2920  
FAX: (907) 283-5152

Wasilla UI Tax  
877 Commercial Drive  
Wasilla, AK 99654-6937  
(907) 352-2535  
FAX: (907) 352-2581

## Non-Profit Organizations or Government Entities: Pay UI Taxes Now or Later?

Non-profit organizations and government entities operating in Alaska have the choice to be a "contributory" or "reimbursable" employer. Contributory employers pay into the Unemployment Insurance Trust fund quarterly based on a tax rate calculated each year. Reimbursable employers reimburse the Unemployment Insurance Trust fund for the actual amount paid out in unemployment insurance benefits and up to 100% of extended benefits.

The reimbursable payment method may not be the best method for all eligible employers. Employers need to be aware of the risks and responsibilities associated with this method. A stable workforce with little turnover and few layoffs and a stable or improving economy is the best situation for reimbursable employers. In an uncertain economy, reimbursable employers with a large number of seasonal workers, employees leaving or losing their jobs will substantially increase the risk that benefits will be paid.

Another factor is the increase in the maximum weekly benefit amount starting in January 2009. Higher benefit payments may result in a higher bill to reimbursable employers.

Employers who choose the reimbursable payment method are also liable for extended benefits paid to former employees.

Employers who choose the reimbursable payment method continue to be liable for any benefits paid to employees using these wages in establishing an unemployment insurance claim. This liability lasts up to three years after the wages have been reported. Legal responsibility for payment continues even if the employer goes out of business or changes to contributory payments.

See the Employment Security Tax Handbook at the link below or contact the department at the phone numbers in this newsletter for more information about the right choice for your business.

Tax Handbook: [labor.alaska.gov/estax/taxbook.htm](http://labor.alaska.gov/estax/taxbook.htm)

## Reduce Your 2009 UI Tax Rate

The annual process of determining employer tax rates for calendar year 2009 has begun. As an employer, there are some 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
- 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 that you may not have realized were available
- assist you in the completion of any of our forms
- confirm that contributions and reports are posted correctly to your account or to your predecessor's account.

## Quarterly Tax Reporting Tips

- When setting up your myAlaska username and password to use the online Web service, you may need to add our e-mail address to your spam protection software. Some spam blockers will prevent you from receiving our e-mail notifications.  
Our e-mail address is [ESD\\_Tax@labor.state.ak.us](mailto:ESD_Tax@labor.state.ak.us).  
The myAlaska Web site is [myalaska.state.ak.us/home/app](http://myalaska.state.ak.us/home/app).
- For employers who mail in Wage Schedules attached to Quarterly Contribution Reports or who have designed their own Quarterly Contribution Report form using Microsoft Word, please use standard 12 point font to decrease the chance of keying errors occurring as the reports are being processed.

## Employer Tax Credits Available

The Work Opportunity Tax Credit (WOTC) Program may save you money on your payroll taxes. By hiring individuals in qualified target groups, such as veterans, food stamp recipients or ex-felons to name a few, you could save up to \$2,400 on your payroll taxes.

WOTC helps the employee and the community by giving employers an incentive to hire these individuals and by giving the individual valuable work experience.

Applying for the tax credit is easy. Simply fill out IRS form 8850 and ETA Form 9061 located on the Web site below and mail the forms to the WOTC Coordinator. Once processed, you will receive a determination regarding your certification.

For more information contact the WOTC Coordinator at (907) 465-1805 or visit the WOTC Web site at [Jobs.Alaska.Gov/wotc.htm#1](http://Jobs.Alaska.Gov/wotc.htm#1)