



Alaska Employer Unemployment Insurance Tax



Sean Parnell, Governor

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E-mail: 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., Room 106
P.O. Box 241767
Anchorage, AK 99524-1767
(907) 269-4850
Fax: (907) 269-4845

Fairbanks UI Tax
675 7th Ave.
Station L, Fairbanks, AK
99701-4595
(907) 451-2876
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Juneau UI Tax
1111 W. Eighth St., Room 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

Reduce Your 2011 UI Tax Rate

The annual process of determining employer tax rates for calendar year 2011 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, or
- 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.

Pay Bonuses? Consider Options

By using the "Employer Option 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, please call the local Unemployment Insurance Tax office. Employer option forms are available online at www.labor.alaska.gov/estax/forms/toc_forms.htm.

LOWER YOUR TAXES BY REPORTING EXCESS WAGES CORRECTLY

Unemployment insurance contributions are due for each employee up to the amount of the current year's taxable wage base, which is \$34,100 for calendar year 2010.

Wages paid to an employee in excess of the taxable wage base are included on the "Alaska Quarterly Contribution Report" and listed on the "Wage Schedule" but are not taxed. Amounts that exceed the current year's taxable wage base also need to be listed as a total in Box 3 on the quarterly contribution report for determining "Taxable Wages" paid during the quarter and the proper calculation of taxes due.

When wages in excess of the taxable wage base are not included in the "Total Reportable Wages" listed in Box 2 of the "Alaska Quarterly Contribution Report" and on the "Wage Schedule," you run the risk of creating a decline in the quarterly wages you report. A decline in "Total Reportable Wages" from one quarter to the next may have a negative impact on your assigned tax rate.

FILE ONLINE, KEEP EMPLOYER TAX RATES LOWER

Almost half of Alaska employers use Employment Security Tax Online Services to file 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 and
- 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 fraudulent benefit payments keeps the UI Trust Fund healthy and employer tax rates lower.

To file quarterly contribution reports online and make payments electronically go to **www.labor.alaska.gov/estax**.