



Alaska Employer Unemployment Insurance Tax



Sean Parnell, Governor

Clark Bishop, Commissioner

Paul Dick, Director

September 2011

JUNEAU CENTRAL OFFICE

1111 W. 8th St., Room 203
P.O. Box 115509
Juneau, AK 99811-5509
(907) 465-2757
Toll Free: (888) 448-3527
Fax: (907) 465-2374
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
Fax: (907) 451-2883

Juneau UI Tax
1111 W. 8th St., Room 203
P.O. Box 115509
Juneau, AK 99811-5509
(907) 465-2787
Fax: (907) 465-2374

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 2012 UI Tax Rate

The annual process of determining employer tax rates for calendar year 2012 has begun. Factors that may unfavorably affect your tax rate include:

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

Contact any of the offices listed in this newsletter to:

- establish deferred payment contracts
- advise you of rate-lowering options
- confirm contributions and reports are posted correctly to your account or to your predecessor's account.

Reimbursable or Contributory?

If you are a nonprofit, political subdivision or tribal organization and are thinking about choosing the reimbursable payment method for payment of UI Taxes, you should be aware of the risks and responsibilities involved.

Reimbursable employers assume liability for their former employees who draw UI benefits on wages paid while working for them. Unlike contributory employers who make regular trust fund contributions, reimbursable employers pay dollar-for-dollar for their former employees' UI benefits which are attributable to those wages. This can result in unexpected costs for an employer.

For assistance with making a decision whether to elect the reimbursable payment method and/or for help with a change to this method of payment into the UI system, contact the Employer Security Tax Office at 888-448-3527 or 907-465-2757.

FUTA Tax Reduction

Under the Federal Unemployment Tax Act (FUTA) employers can receive a 5.4 percent offset against the 6 percent FUTA tax imposed if their state has an approved UI program and no delinquent federal loans.

Throughout its history, Alaska's UI Trust Fund has remained solvent without the need to borrow from the federal government. Alaska has an approved UI program and no delinquent federal loans. Alaska employers can therefore expect to continue to receive their full federal tax offset.

Successor Employer Responsibilities

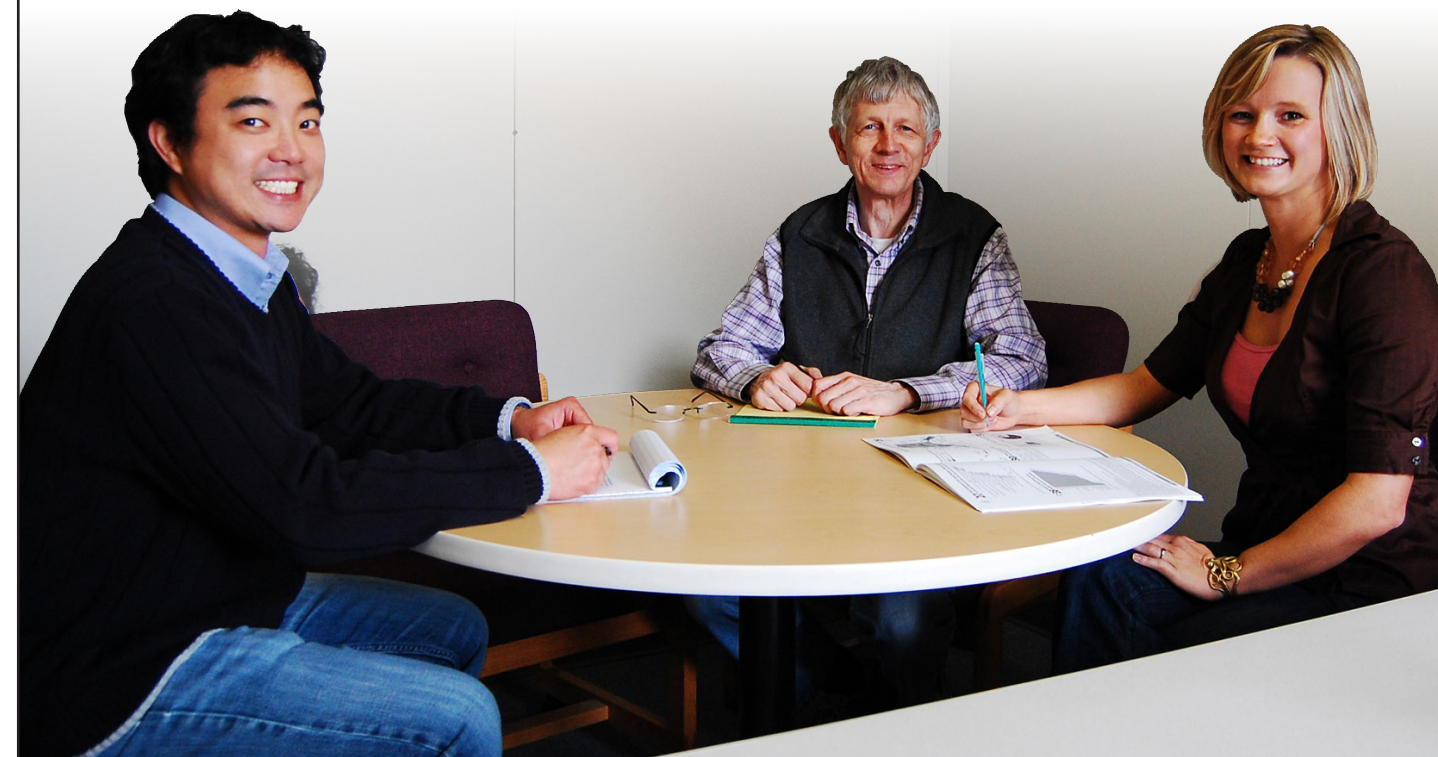
If you purchase a business, you may be held liable for any ES Taxes not paid by the seller. Alaska Statute 23.20.260 requires that the buyer (successor) take the following action to ensure that the debt of the seller (predecessor) is paid.

1. The successor must register the business.
2. The successor should withhold enough purchase money to cover the amount of taxes due and unpaid until the predecessor produces a receipt from UI Tax showing the taxes are paid in full. If the successor fails to withhold purchase money as required, and the taxes are not paid within 10 days, the successor is liable for the payment of the predecessor's unpaid taxes.
3. 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.

As with all employers, successors will receive a penalty rate if, prior to the UI tax annual rating process, one of the following two conditions exists:

1. Either the predecessor's account or the successor's account has a balance due. and/or
2. The quarterly report(s) have not been filed for all quarters on either the predecessor's account or successor's account. An estimated report does not take the place of a factual report.

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



We are an equal opportunity employer/program.
Auxiliary aids and services are available upon request to individuals with disabilities.