



Alaska Employer

Newsletter

Unemployment Insurance Tax



ALASKA DEPARTMENT OF LABOR
& WORKFORCE DEVELOPMENT

Bill Walker, Governor

Heidi Drygas, Commissioner

Ed Flanagan, Division Director

September 2016

**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

UI 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

Wasilla

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

UI Tax Representative

Toll free: (888) 448-2937

Penalty Rates are Expensive and Preventable

For 2016, most Alaska employers will pay a maximum of \$833.70 per employee in Unemployment Insurance (UI) contributions.

Penalty rates were assigned to 292 employers making them liable up to a maximum of \$2,143.80 per employee — more than twice the amount of an experience-rated employer.

To prevent receiving a 2017 penalty rate, be sure all of your reports and payments are on file with us. Do not ignore the notices we send to you when your account is missing a report and/or payment. Contact any of the offices listed in this newsletter and our staff can:

- Establish deferred payment contracts,
- Assist you with the completion of our forms,
- Confirm contributions and reports are posted correctly to your account or to your predecessor's account.



Are You a Seasonal Employer?

As a seasonal employer you are required to file quarterly contribution reports for every quarter of the year, even though you may not have wages to report.

Did you know you can pre-file your "no wage" quarterly contribution reports now? Why not make these reports part of your end-of-season ritual? Mail or fax "no wage" reports to us, and we will post them on the appropriate quarter due date.

Reporting Wages in Excess of the Annual Taxable Wage Base

Do you stop reporting your employee wages once they meet the annual taxable wage base? If so, you are reporting incorrectly.

For example: If an employee earns \$20,000 in each quarter of the year, wages for all four quarters must be reported, even though the taxable wage base amount is met in the second quarter. When wages in excess of the taxable wage base are not included on the Alaska Quarterly Contribution Report, you run the risk of creating a quarterly decline in reported wages. A decline in total reportable wages from one quarter to the next can have a negative impact on your assigned tax rate. More declines equal a higher tax rate.

Employee Advances: When to Report

Payroll advances made to employees are reportable in the calendar quarter in which they are paid, not when they are deducted from a subsequent payroll.

For example: An employee is paid an advance of \$100 on March 4 and the \$100 advance is later deducted from the employee's wages for payroll issued on April 1. The \$100 advance must be included in the "Total Reportable Wages" for the first quarter, as it was given to the employee on March 4. The balance of the gross wages for payroll issued on April 1 would be included on the report for the second quarter.



All remuneration for service is to be reported in the quarter in which payment is issued, not the date the employee pays it back or the date it is deducted from a paycheck.

DID YOU KNOW ...

Required employee posters are available for free at labor.alaska.gov/lss/posters.htm.

**Quarterly reports and payments are due
in our office no later than October 31.**