

State of Alaska

May 1998

Your Tax Rates

Part One of a Three Part Series

This is the first of a three-part series on important information that employers, accountants, and bookkeepers need to know about the unemployment insurance tax rating system. Understanding the tax rating system can help an employer maintain the lowest possible rate. For accountants and bookkeepers, knowing how our rating system works will enable you to assist your clients in maintaining the lowest possible rate. This information is also included in the new Tax Handbook. See below.

This three-part series will cover the following subjects:

- ◆ *Part 1* *Timely Report Filing and Payment and Your Tax Rate* (May 1998)
- ◆ *Part 2* *Bonuses, Biweekly Pay Periods, and Accounting Anomalies What Effect Do These Have on Tax Rates?* (August 1998)
- ◆ *Part 3* *Purchasing a Business? Learn About Successor Rating* (November 1998)

Part 1: Timely Report Filing and Payment and Your Tax Rate

Timely filing of the quarterly contribution report and payment of the taxes can help assure that you will not be assigned a penalty rate, that is the highest rate allowed. For 1998, the penalty rate is 5.96.

What happens when an employer fails to file a contribution report? In this case, if ES Tax files an estimated report for the delinquent-report quarter, the estimated report **does not** replace the employer's factual report for rating purposes, even if the estimated amount is paid. If the estimated report remains on file and is not replaced with a factual report, the employer will receive a penalty rate if the employer is eligible for experience rating. To be eligible for experience rating, the employer must have had an account for four or more quarters by June 30 of any year.

If an employer owes taxes and is having difficulty paying, ES Tax can set up a deferred payment contract that will allow up to one-year for repayment of the indebtedness. And, if an employer stays current with an approved deferred payment contract, they will be eligible for experience rating. If a deferred payment contract is not established, or if an established deferred payment contract is not kept current, an employer will be penalty rated for the entire year. Contact your auditor for more details.

New Employer Tax Handbook Available

The brand new ***Alaska Employment Security Tax Handbook*** is now available. The handbook contains Employment Security Tax information that will assist employers, accountants, and bookkeepers understand Alaska's employer tax system. It is arranged in an easy-to-read format, with a complete index to help locate a desired topic. The new Tax Handbook will automatically be sent to all new employers. Others can request a copy by completing and returning the coupon on the backside of this newsletter. The Tax Handbook is also available on the Internet as a PDF document at http://www.state.ak.us/local/akpages/LABOR/esd_tax_handbook/taxbook.htm. (Please be advised that this is not a reprint of the larger out-of-print 1994/1995 Alaska Employer Handbook that also contained information on personnel practices and meeting employer legal obligations, rather it is a whole new publication devoted exclusively to Alaska's employer tax system.)

ARE YOU HIRING SUMMER HELP?

"If I hire someone temporarily, or seasonally, do I have to report them?" Yes, you do. Workers hired to provide services within the usual course of your business are employees. Some examples of paid employees that should be included on your quarterly tax report are:

Fair and carnival workers	Students working in the tourist industry
Tour guides	Visiting instructors teaching in arts, sports, and music camps
Street vendor workers	Fireworks stand workers
Hunting and fishing guides	Seasonal pilots and boat operators
Camp counselors	Tour bus drivers

CALL US . . . TOLL FREE!

1-888-44-TAXES
(1-888-448-2937)

Use our toll-free number to **call from rural areas of Alaska, from out-of-state, or from Canada**. You will be connected to the Field Tax Office that handles your employer account. If you are calling from Anchorage, Fairbanks, Kenai, or Juneau, please call the local number for your Field Tax Office:

Anchorage Field Tax Office	269-4850	Fairbanks Field Tax Office	451-2876
Kenai Field Tax Office	283-4478	Juneau Field Tax Office	465-2787

ALASKA'S EMPLOYERS CAN NOW POST JOBS ONLINE

A new online job-order-taking system is now available for Alaska's employers, allowing businesses to list available job openings directly onto the department's Internet website. Employers interested in listing their job vacancies with the Alaska Job Bank may do so at:

<http://www.state.ak.us.local/akpages/LABOR/jobform/joform4.htm>

The Alaska Job Bank made its debut last year on the Internet (**<http://labor-aix.state.ak.us/cgi-bin/jobs>**), and lists up to 1,500 available jobs in Alaska each day. It is linked to America's Job Bank, where on any given day, up to 600,000 jobs around the country are posted.

Employers can request that staff contact them for additional assistance and can also request that interviews or job orientations take place in an Employment Service office nearest them. For more information, contact LeRoy Davis, Employment Service program manager, in Juneau at 907/465-5934.

For a copy of the new ***Alaska Employment Security Tax Handbook***, please complete the information below and return this coupon:

Name _____ Company _____

Address _____

City _____ State _____ Zip Code _____

Employment Security Tax
P.O. Box 25509
Juneau, AK 99802-5509