



Alaska Employer

Newsletter

Unemployment Insurance Tax



ALASKA DEPARTMENT OF LABOR
& WORKFORCE DEVELOPMENT

Mike Dunleavy, Governor

Catherine Muñoz, Commissioner

Paloma Harbour, Director

June 2024

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

FIELD 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

Mat-Su

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

UI Tax Representative

Toll free: (888) 448-2937

Hiring summer or temporary help?

Workers hired to provide services for your business are employees. Whether you pay the worker for one day, one hour or even \$1, the wages must be reported for Unemployment Insurance (UI) tax purposes. Some examples of paid individuals that should be included on your quarterly contribution report are:

- Seasonal employees
- Tour guides/bus drivers
- Sports officials
- Street vendor workers
- Students working in the tourism industry
- J1 visa workers
- Temporary or fill-in staff
- Hunting or fishing guides
- Fair and carnival workers
- Pilots
- Boat operators and crew
- Camp counselors

Children's wages

Wages paid to a parent, spouse or child (child under the age of 18 or a full-time student under the age of 21 years) of a **sole proprietor should not be reported** on the quarterly contribution report, unless the sole proprietor has elected coverage.

A parent, spouse or child **of a partnership is reportable** even if the parent-and-child relationship exists between the employee and all or some of the partners.

A parent, spouse or child who is not a member of a **Limited Liability Company (LLC)** and performs services for the business **is reportable** for UI tax purposes regardless of business's filing status with the IRS.

Self-employment is not covered for UI purposes, nor can coverage be elected. Sole proprietors, partners and members of LLC, including managing members, are considered self-employed and should not be listed on the quarterly contribution reports.

**Second quarter reports and payments
are due by July 31, 2024.**

Alaska Economic Trends Magazine is a monthly publication that covers a broad range of economic issues. To view the electronic magazine, search articles and archives, and sign up for a FREE electronic subscription visit labor.alaska.gov/trends.

Unemployment Insurance fraud

An individual refusing an offer of work, asking to be laid off or requesting to have their hours reduced so they can collect UI benefits may be committing fraud. Employers should immediately report these activities for investigation. Employers should send the following information to the UI office by email at uifraud@alaska.gov or by fax to **(907) 269-4835**. A representative will contact the business for additional information:

- Business name
- Contact information
- Individual's first and last name
- Last four of the individual's Social Security Number if available
- A brief description of the activity

Submit Option Form by June 30 for 2023 rates

Alaska UI contribution rates are based on quarterly wage declines. A decline in quarterly wages exists when the amount of total wages reported in one quarter decreases in the next quarter. The larger the decline in wages, the higher your contribution rate may be. Several factors that may create artificial quarterly declines include the following:

- Bonus payments
- Bi-weekly payroll
- Issuance of lump-sum payments
- Paying a labor dispute settlement
- Changes in your accounting or payroll methods

The Employer Option Form may help equalize quarterly declines caused by these anomalies, thus obtaining a more favorable rate. The Option Form was mailed with annual rate notices in December 2023 and are also available on our website at labor.alaska.gov/estax. Employers have until June 30 each year to submit the form to reduce the previous year's contribution rate. It's important to note that the submitted Option Form must include all quarters in the rating period. The applicable quarters can be found on the annual rate notice. For questions, contact our Employer Account Unit at **(888) 448-3527** or **(907) 465-2757**.

New AKJobs Facebook page!

The Division of Employment and Training Services now has a Facebook page — **AKJobs**. Like and Follow for information about job fairs, expos, career fairs, job postings and other employment and training opportunities including UI-related information.

Rapid Response Program

Alaska's Rapid Response team works with employers to develop a comprehensive approach to address business changes that may lead to layoffs by effectively preventing or minimizing the negative impacts. Layoffs are hard, but our team of experts can help make the transition for employees to new employment much easier. Rapid Response can help facilitate a pipeline of skilled workers from a business downsizing to an expanding business. For more information, visit our website at jobs.alaska.gov/RR. For immediate assistance, email dol.rrteam@alaska.gov, or contact Statewide Rapid Response Coordinator Nakita Mongar at **(907) 269-3016**.