



Alaska Employer

Newsletter

Unemployment Insurance Tax



ALASKA DEPARTMENT OF LABOR
& WORKFORCE DEVELOPMENT

Mike Dunleavy, Governor

Catherine Muñoz, Commissioner

Paloma Harbour, Director

December 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
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Fairbanks

675 7th Ave., Station L
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Phone: (907) 451-2876
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Juneau

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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

2025 Tax rates

The 2025 rate notices will be mailed early December 2024 providing the employer and employee rates and the taxable wage base. Update your payroll systems or inform your payroll provider of your new rate to avoid over or underpaying contributions next year. If you have any questions about your rate, please contact our agency at esd.tax@alaska.gov, (888) 448-3527 or (907) 465-2757.

FUTA tax credit

Quarterly contribution reports and payments submitted after the due date can negatively affect your Federal Unemployment Tax Act (FUTA) tax credit. Your report and payment for the fourth quarter of 2024 is due Jan. 31, 2025. If the report and payment are not received in our office by Jan. 31, 2025, it is considered late and may reduce your FUTA tax credit. To ensure your quarterly contribution report and payment are received timely file online through TaxWeb at labor.alaska.gov/estax and select "Online Employer Services."

Pretax deductions for UI Tax purposes

Not all employer payments are reportable on the Quarterly Contribution Report. Some items may be reportable to the IRS, but not to UI Tax. If you have questions regarding reportable items, contact our agency at esd.tax@alaska.gov or by phone.

The following types of employer payments, whether part of a Section 125 benefit plan or not, should **not** be included as employee wages on the Quarterly Contribution Report:

- Employer payments to or on behalf of an employee or their dependent into a fund established by the employer for retirement, sickness or accident disability, medical hospitalization or death benefits. Examples of pre-tax benefits include:

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- Group term life
- Health or accident
- Participation in 401(k) retirement
- Short or long-term disability
- Flexible Spending Account (FSA)
- Health Savings Account (HSA)
- Dismissal (severance) pay the employer is not legally required to pay
- When records or receipts support expenses:
 - Per diem for employees working away from home
 - Reimbursement for employee's moving expenses
 - Reimbursement for expenses incurred by employees in the performance of duties

However, payments to the following benefit plans whether part of a Section 125 benefit plan or not, **must be reported** on the Quarterly Contribution Report:

- Cash in lieu of benefits
- Dependent care assistance
- Adoption Assistance
- Group legal services

Business changes

Do you have a change in ownership, management or control, or has all or part of your business been acquired by another employer? Notify our Employer Account Unit within 15 days of the change or acquisition. You can submit these changes online through TaxWeb at labor.alaska.gov/estax and select "Online Employer Services." You may also notify our agency in writing by submitting an updated Alaska Employer Registration form at labor.alaska.gov/estax/forms/AER.pdf. To ensure you are paying the lowest contribution rate possible, provide our agency with the following information:

- Date of change or acquisition
- Date wages were first paid under new ownership
- Type of change, including:
 - Change in entity, such as a change from a sole proprietorship to a partnership or a partnership to a corporation
 - Corporate charter change
 - Corporate officer change
 - Change as a result of a merger, consolidation, or purchase
 - Percentage and type of operating assets acquired in Alaska
- Identification of current and prior owners:
 - Name
 - Social Security Number
 - Federal ID number
 - Business name
 - Number of employees you acquired

**Fourth quarter reports and payments
are due by Jan. 31, 2025.**

Alaska's Unemployment Insurance Program is 100 percent funded by the U.S. Department of Labor through a grant award totaling \$24,412,663. We are an equal opportunity employer/program. Auxiliary aids and services are available upon request to individuals with disabilities.