



# Alaska Employer

Newsletter

## Unemployment Insurance Tax



ALASKA DEPARTMENT OF LABOR  
& WORKFORCE DEVELOPMENT

Michael J. Dunleavy, Governor

Dr. Tamika L. Ledbetter, Commissioner

Patsy Westcott, Director

December 2019

**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

*Alaska Economic Trends  
monthly magazine:*  
[labor.alaska.gov/trends](http://labor.alaska.gov/trends)

## 2020 Tax rates

The 2020 tax rate notices will be mailed in early December. The rate notice will include the 2020 tax rate and the individual taxable wage base amount. If you have questions regarding your rate notice, contact the Tax Central Office in Juneau at [esd.tax@alaska.gov](mailto:esd.tax@alaska.gov), (888) 448-3527 or (907) 465-2757.

## Reports and payments received by Jan. 31 are eligible for FUTA Tax reduction

Under the Federal Unemployment Tax Act, employers may receive a 5.4 percent offset against the six percent FUTA tax imposed if their state has an approved Unemployment Insurance 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 employers can therefore expect to continue to receive their full federal tax offset, **provided employers file their report and make their payments on or before the last day of the month which follows the calendar quarter for which contributions have accrued (8 AAC 85.30).**

To ensure your reports are received by the ES Tax Office timely, use the "Online Employer Services" link at [labor.alaska.gov/estax](http://labor.alaska.gov/estax). Reports and payments received after Jan. 31, regardless of when mailed, may not receive the FUTA tax credit. Additionally, no grace period is provided for this federal requirement.

## Subscribe to receive your Tax newsletter online

To receive your newsletter electronically, subscribe at: <https://service.govdelivery.com/accounts/AKDOL/subscriber/new?preferences=true>. Newsletters are available on the Employment Security Tax home page under the "Quick Links" section: [labor.alaska.gov/estax](http://labor.alaska.gov/estax).

## Employer Option Forms

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

“Employer Option Forms” will be enclosed with your Annual Rate Notice and may be used to help equalize any quarterly declines caused by these anomalies. Employer Options may help stabilize your payroll from one quarter to the next, thus obtaining a more favorable rate.

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 submitted Option Forms must include all years in the rating period. The applicable quarters can be found on the annual rate notice.

Questions should be directed to the UI Employer Account Unit at (888) 448-3527.

Employer Option Forms, and a variety of other UI forms, are available online at:

**[labor.alaska.gov/estax/forms/toc\\_forms.htm](http://labor.alaska.gov/estax/forms/toc_forms.htm)**.

## Fidelity Bonding: A no-cost tool for employers

Fidelity Bonding is an effective job placement tool for concerned employers and at-risk job seekers. It offers a no-cost, no-deductible bonds to employers who hire at-risk individuals such as ex-offenders, people recovering from substance abuse, those with poor work or credit histories, and workers who are not otherwise bondable.

Bonds insure employers against any job-related theft, forgery, larceny or embezzlement by an employee, on or off the worksite. The opportunity to obtain a free fidelity bond allows the employer to focus on a worker’s skills and productivity without taking added risk in the event of worker dishonesty on the job. It is the only program that bonds ex-offenders.

For more information about Alaska’s Fidelity Bonding program, visit

**[labor.alaska.gov/bonding](http://labor.alaska.gov/bonding)**, contact your local Alaska job center:

**[jobs.alaska.gov/offices](http://jobs.alaska.gov/offices)** or call toll-free at (877) 724-2539.

**Fourth quarter reports and payments  
are due by Jan. 31, 2020.**