



# Alaska Employer

Newsletter

## Unemployment Insurance Tax



ALASKA DEPARTMENT OF LABOR  
& WORKFORCE DEVELOPMENT

Mike Dunleavy, Governor

Dr. Tamika L. Ledbetter, Commissioner

Patsy Westcott, Director

December 2021

### 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

## 2022 tax rates and taxable wage base

The annual tax rate notices were mailed early in December containing the 2022 rates and taxable wage base. Please update your payroll system and inform your payroll provider with your new rate to avoid underpayments or overpayments of contributions.

Can't locate your tax rate notice? Your TaxWeb Administrator can view your 2022 tax rate for your account online. If you do not have an online administrator, current users can sign into TaxWeb at **tos.dol.alaska.gov** and change their access to "Full Access" under "My Account Information." If you have questions regarding your rate notice, contact our Central Office at **dol.esfieldtax@alaska.gov**, (888) 448-2937 or (907) 465-2757.

## Reduce your FUTA tax

Under the Federal Unemployment Tax Act (FUTA), employers may receive a 5.4 percent offset against the six percent FUTA tax if their state has an approved Unemployment Insurance (UI) program and no delinquent federal loans.

Alaska's UI Trust Fund has remained solvent without the need to borrow from the federal government. Employers can continue to receive their full federal tax offset. However, quarterly reports and payments not received by an ES Tax office by Jan. 31, may not receive the FUTA tax credit. No grace period is provided for this federal requirement. To ensure your reports and payments are received timely, use TaxWeb (**tos.dol.alaska.gov**) to file quarterly reports and make payments.

## TaxWeb

Are you new to our tax online system TaxWeb? Visit our website at **labor.alaska.gov/estax** to see instructions for online filing. Then click on "Online employer services" to file your reports, make payments using electronic fund transfer (EFT), update your account and more!

*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**.*

## Pretax payments 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 ES Tax. If you have questions regarding reportable items, contact our agency at [esd.tax@alaska.gov](mailto: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 for retirement, sickness or accident disability, medical hospitalization or death benefits. Examples of pre-tax benefits include:
  - 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 employees' expenses such as:
  - Per diem for working away from home
  - Reimbursement for moving expenses
  - Reimbursement for expenses incurred 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:

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

## Mandatory state posters

Several state and federal employment information posters, which may be required to be posted at worksites, can be downloaded or ordered at **no charge** from the Division of Labor Standards and Safety. Go to <https://labor.alaska.gov/lss/posters.htm> to see the posters that are required and available.

Required posters must be visible in worksite locations and readily accessible to employees.



### Notice to Employees

As an employee of this company, you are covered by Unemployment Insurance (UI). The UI program is administered by the Division of Employment and Training Services of the Alaska Department of Labor and Workforce Development.

**The purpose of UI is to provide partial replacement of wages between jobs.** If a business has to reduce wages or hours, or temporarily lay off workers, UI gives workers financial security and temporary buying power so they can remain in the community. This, in turn, helps employers keep their trained work force. UI payments protect the economy in Alaska's communities until unemployed workers are reemployed. UI helps to reduce the family and community problems caused by layoffs or a lack of jobs.

**You and your employer both pay your UI premiums (taxes).** You pay about 27 percent and your employer pays 73 percent. Generally speaking, if you receive one week of UI benefits, you receive as much or more than you paid into the program for the year. Your employer may withhold from your earnings the employee portion of the UI tax. Wages in excess of the maximum annual taxable wage set for the calendar year are non-taxable. Current and past years' maximum annual taxable wage base and the employee portion of the UI tax rates are posted on the Employment Security Tax website at: [labor.alaska.gov/estax/faq/w1.htm](https://labor.alaska.gov/estax/faq/w1.htm).

**As with any insurance, you must meet certain qualifications to be eligible for benefits.** You must have earned wages in jobs that are covered by the law, file your claim for UI, and register for work with the Alaska Employment Service or your union. You must also be ready, willing and able to accept suitable work. If you quit or are fired from your last job, or if anything is keeping you from accepting full-time work, you may not immediately be eligible for benefits.

**Fourth quarter reports and payments  
are due by Jan. 31, 2022.**

We are an equal opportunity employer/program.  
Auxiliary aids and services are available upon request to individuals with disabilities.