



# Alaska Employer

Newsletter

## Unemployment Insurance Tax



ALASKA DEPARTMENT OF LABOR  
& WORKFORCE DEVELOPMENT

Bill Walker, Governor

Heidi Drygas, Commissioner

Ed Flanagan, Director

March 2017

**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

#### UI 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

##### Palmer

515 East Dahlia Ave.  
Palmer, AK 99645

#### UI Tax Representative

Toll free: (888) 448-2937

## Wasilla Field Tax Office is Moving

Our Field Tax Office in Wasilla is moving to Palmer. Our new address will be 515 East Dahlia Ave., Palmer, AK. The move is expected to be completed by mid-March 2017.

## New Year, New Rate, New Taxable Wage Base

The 2017 rate notices were mailed in December 2016. Now is the time to update your payroll system with this year's rate. The taxable wage base for 2017 is \$39,800. Tax rates range from 1 percent to 5.4 percent for employers, and the employee rate is .5 percent. If you are unsure of your rate, please contact us. This year the majority of employer rates are lower than previous years. This means if you are using a previous rate, you may be overpaying your taxes.

## Buying or Starting a Business

When buying or purchasing assets from an existing business, remember to inquire about any balance due to the UI program. If the current owner has a balance, you are required to withhold from the purchase price enough funds to pay what's due. More importantly, you may inherit the business' rate and rating history when you purchase an existing business. Many times an inherited experience contribution rate is lower than a new employer rate. To receive the proper experience rate, complete the registration form and include information regarding the purchase.

**Quarterly reports and payments  
are due by April 30**

## Do You Pay Bonuses?

If you are paying annual bonuses, you may be paying at too high of a tax rate. Last quarter, employers received an Employer Option Form with the fourth quarter Alaska Quarterly Contribution Report form. By using this form, employers may be able to help equalize some artificial quarterly payroll declines.



A decline in quarterly wages exists when the amount of total wages reported reflects a decrease from one quarter to the next. Artificial payroll declines can be caused by issuing annual bonuses, biweekly payrolls, lump-sum payments, labor dispute settlements, changes to accounting methods, or payroll issued in a different quarter than normal. The larger the decline in wages from one quarter to the next, the higher the employer tax rate may be.

The Employer Option Form enables employers to request to have wages causing artificial declines be deleted or apportioned for rating purposes in order to stabilize payroll from one quarter to the next. Stabilizing payroll may provide a more favorable tax rate. For questions concerning the options available to employers, call your local Unemployment Insurance tax office.

Option forms are available online at [labor.alaska.gov/estax/forms/toc\\_forms.htm](http://labor.alaska.gov/estax/forms/toc_forms.htm).

### DID YOU KNOW ...

- Employee payroll advances must be reported on the quarterly contribution report for the quarter the advance is paid.
- Sole proprietor, general partner and LLC member wages are not reportable on the quarterly contribution reports.
- You can file your reports online and access other services at [labor.alaska.gov/estax](http://labor.alaska.gov/estax).



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