



Alaska Employer

Newsletter

Unemployment Insurance Tax



ALASKA DEPARTMENT OF LABOR
& WORKFORCE DEVELOPMENT

Mike Dunleavy, Governor

Dr. Tamika L. Ledbetter, Commissioner

Patsy Westcott, Director

December 2022

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

2023 Tax rates

The 2023 tax rate notices will be mailed in early December 2022. The rate notice will include the 2023 tax rate and the individual taxable wage base amount. If you have questions regarding your rate notice, contact our Central Office at esd.tax@alaska.gov, (888) 448-3527 or (907) 465-2757.

Reports, payments received by Jan. 31 are eligible for FUTA tax reduction

Under the Federal Unemployment Tax Act (FUTA), employers may receive a 5.4% offset against the 6% FUTA tax imposed if their state has an approved unemployment insurance (UI) 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. Therefore, Alaska employers can expect to continue to receive their full federal tax offset, provided employers file their reports 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 85.030).

To ensure your quarterly reports and payments are received timely, use the "Online employer services" link on our website at 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.

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? You are required to notify Central Office within 15 days of the change or acquisition of your business (8 AAC 85.291). You may notify our agency online by going to our website at labor.alaska.gov/estax and selecting the "Online employer services" link. After signing into myAlaska, select "New Registration" to make changes regarding a

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purchase, acquisition or changes in ownership. Change to a business entity type can also be made here. You may also notify our agency in writing by submitting an updated registration form available on our website at labor.alaska.gov/estax/forms/AER.pdf.

To ensure you are paying an accurate contribution rate, please provide the department with the following information:

- Date of a change or acquisition
- Date wages were first paid under the new ownership
- Type of change, including:
 - Change in entity (such as a change from a sole proprietorship to an LLC 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 identification number
 - Business name
 - Number of employees acquired

Successor employer responsibilities

If you purchase a business, you may be held liable for any Employment Security Tax contributions not paid by the seller. Alaska Statute 23.20.260 requires the successor (buyer) take the following action to ensure debt of the predecessor (seller) is paid:

- The successor must register the business;
- The successor should withhold enough purchase money to cover the amount of all contributions due until the predecessor produces a receipt from our agency showing the predecessor's account is paid in full. If the successor fails to withhold purchase money as required, and the contributions are not paid within 10 days, the successor is liable for the payment of the predecessor's unpaid contributions;
- The successor should consider the wages paid by the predecessor when computing taxable wages for the remainder of the calendar year in which the business was acquired.

As with all employers, successors will receive a penalty rate if, prior to the annual rating process, one of the following conditions exists:

1. Either the predecessor's or successor's account has a balance due; and/or
2. The quarterly contribution report(s) have not been submitted for all quarters on either the predecessor's or successor's account. An estimated report does not take the place of a factual report, even if there isn't a balance due.

For more information on predecessor/successor responsibilities, contact your local Field Tax office: labor.alaska.gov/estax/Locations.htm.

**Fourth quarter reports and payments
are due by Jan. 31, 2023.**