

Alaska Department of Labor and Workforce Development
Employment Security Tax
P.O. Box 115509
Juneau, AK 99811-5509

Employer Option Form
For Rating Purposes Only

The Alaska Employment Security Act provides an experience rating system for the determination of employer contribution rates. Alaska's system is based on quarterly payroll declines. Each employer's rate is based on declines in total reportable wages (not taxable wages) from quarter to quarter over a one to three year period (minimum of four quarters and maximum of 12 as shown on the annual rate notice) depending upon how long the employer has been in business.

There are several types of payments made by some employers that tend to create *artificial* quarterly declines in payroll. They are:

- bonuses and/or lump sum payments for service performed over a period of more than three months
- seventh bi-weekly pay periods for those employers who pay bi-weekly, thus creating an extra seventh pay period for two quarters during a calendar year
- labor disputes resulting in stoppage of work
- a change in accounting practices

The *Employer Option Form* is used to list the information necessary to examine the possibility of either eliminating or decreasing the quarterly payroll declines for rate purposes. An employer can choose to either delete or apportion the above wage payments to even out quarterly payroll declines and possibly obtain a more favorable experience rate.

Careful consideration should be given to the choice of an option method, as once an option method is chosen; it is effective for future years and may not be changed without approval. Employers are responsible for filing an Employer Option Form that includes all quarters of the rating period in which their artificial decline situation arises. Employers have until June 30 to submit options reducing the previous year's tax rate. Options for the above types of wage payments are to be submitted for each quarter reflected on the annual rate notice. Please refer to the rate notice you received for the year you are submitting options for.

If you have any questions concerning the option process or completion of this form, call the Employer Accounts Unit in Juneau or your local Field Tax Office.

Office	Address	Zip Code	Telephone	Fax
Juneau - Employer Accts	P.O. Box 115509	99811-5509	(907) 465-2374	(907) 465-2374
Anchorage ES Tax	3301 Eagle St., Suite 106, P.O. Box 241767	99524-1767	(907) 269-4850	(907) 269-4845
Fairbanks ES Tax	675 7th Ave., Station L	99701-4596	(907) 451-2876	(907) 451-2883
Kenai ES Tax	145 Main Street Loop, Suite 143	99611-9106	(907) 283-0350	(907) 283-5152
Mat-Su ES Tax	877 Commercial Drive	99654-6937	(907) 352-2535	(907) 352-2581

Toll-free telephone number to connect to your employer representative **(888) 448-2937**
if you are located out-of-state, in Canada, or in Alaska, except Anchorage,
Fairbanks, Juneau, Kenai and Wasilla local telephone prefixes.

Toll-free telephone number to connect to Central Office in Juneau **(888) 448-3527**
for all areas outside Juneau, out-of-state and Canada.

Toll-free telephone number to connect to Relay Alaska **(800) 770-8973**