



# Alaska Employer

Newsletter

## Unemployment Insurance Tax



ALASKA DEPARTMENT OF LABOR  
& WORKFORCE DEVELOPMENT

Mike Dunleavy, Governor

Catherine Muñoz, Acting Commissioner

Patsy Westcott, Director

March 2023

### 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

## New year, new rate

The 2023 rate notices were mailed in December 2022. Now is the time to update your payroll system with this year's rate. If you are unsure of your rate, please contact us. The rate for employees and many employers has decreased. If you haven't updated your new rate, you may be overpaying your taxes.

## Option forms may help reduce your rate!

If you pay bonuses or issue payroll on a bi-weekly basis, you may be able to reduce your Unemployment Insurance (UI) tax rate. Alaska's rate system is based on quarterly wage declines. A decline in quarterly wages exists when the total wages reported decrease from one quarter to the next. The larger the decline in wages, the higher your tax rate. There are several factors that may create artificial quarterly declines, such as:

- Bonuses
- Bi-weekly payroll system
- Issuing lump-sum payments
- Changes in your accounting or payroll method
- Paying a labor dispute settlement

Employer Option forms were enclosed with your 2023 annual rate notice and are also available on our website at [labor.alaska.gov/estax/forms/toc\\_forms.htm](http://labor.alaska.gov/estax/forms/toc_forms.htm). They may help equalize quarterly declines caused by these variables. Option forms enable the payroll variable(s) to be deleted or apportioned. This helps stabilize your payroll from one quarter to the next, thus possibly obtaining a more favorable tax rate. Questions regarding Employer Option forms should be directed to the UI Tax Employer Account Specialist Unit at (888) 448-3527 or (907) 465-2757.

## Limit your liability

A tax clearance is needed if you are using subcontractors, acquiring assets from an existing business or buying a business. If UI taxes are in arrears for a subcontractor, or a business you are acquiring assets from or buying, you will be obligated to pay the contribution due.

*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](http://labor.alaska.gov/trends).*

A tax clearance indicates whether the employer has any UI tax delinquencies. Relieve your business from this liability by submitting the tax clearance form before the last payment is made to a subcontractor or, if purchasing assets or a business, prior to the sale being finalized. This will allow you to set aside and pay their delinquent UI tax from the funds owed to the subcontractor or business.

Tax clearance forms are located on our website at [labor.alaska.gov/estax/forms/toc\\_forms.htm](https://labor.alaska.gov/estax/forms/toc_forms.htm). The responsibilities when buying a business or acquiring assets from another business are outlined under AS 23.20.260. The responsibilities and liability of a prime contractor are covered under AS 23.20.565.

## SIDES update: Single Sign-On option

Alaska's UI program now offers a Single Sign-On (SSO) alternative for the State Information Data Exchange System (SIDES) through the myAlaska website. SSO is a link in the state portal that transports the employer directly into the SIDES system, bypassing the required login credentials when using the SIDES e-Response website.

If you are interested in using SIDES, send an email to [dol.sides@alaska.gov](mailto:dol.sides@alaska.gov) and provide the following information: Your business name, FEIN, contact name, phone number and the email address you would like information requests to be sent. If you would like more information or have questions about Alaska's SIDES SSO option, please send an email to [dol.sides@alaska.gov](mailto:dol.sides@alaska.gov) and a SIDES administrator will respond to your request.

## Mandatory state posters

Several state and federal employment 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 [labor.alaska.gov/lss/posters.htm](https://labor.alaska.gov/lss/posters.htm) to see the posters that are required and available. Required posters must be visible at worksite locations and readily accessible to employees.

## Employee refunds

Employees who worked for more than one employer may be eligible for a UI tax refund if they paid more than \$253.12 in unemployment taxes in 2022. The refund form and instructions are available on our website at [labor.alaska.gov/estax/forms/toc\\_forms.htm](https://labor.alaska.gov/estax/forms/toc_forms.htm) under "Employee Application for Refund."

**First quarter reports and payments  
are due by April 30, 2023.**