



Alaska Employer

Newsletter

Unemployment Insurance Tax



ALASKA DEPARTMENT OF LABOR
& WORKFORCE DEVELOPMENT

Mike Dunleavy, Governor

Catherine Muñoz, Commissioner Designee

Paloma Harbour, Director

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Questions about your rate, account or contributions?

CONTACTS

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FIELD TAX OFFICES

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UI Tax Representative

Toll free: (888) 448-2937

New year, new rate, new taxable wage base

The 2024 rate notices were mailed in December. You should take the time to update your payroll system or notify your payroll provider of your new 2024 rate. The taxable wage base for 2024 is \$49,700. Tax rates range from one percent to 5.40 percent for employers and the employee rate has decreased to .50 percent.

If you are unsure of your rate, please contact our agency. As both the employee and many employer rates have decreased, using your previous year's rate may mean you're paying too much.

How to receive a refund of account credit

If you receive a statement of account or an email from our agency indicating there is a credit on the account, take the extra step to get that credit back. You can either apply the credit to your next quarterly filing or request a refund of the credit. Simply contact our agency by email or phone to request a refund of the credit. Be sure to notify us of any updated address or contact information. There may be some circumstances that prevent a refund being issued, such as a missing quarterly report or an account out of balance situation. However, these usually can be resolved easily with your payroll records.

Some employees eligible for refunds

Employees who worked for more than one employer may be eligible for a UI tax refund if they paid more than \$240.21 in unemployment taxes in 2023. The refund form is available at labor.alaska.gov/estax/forms/eerefund.pdf.

First quarter reports and payments are due by April 30, 2024.

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.

Are they really contract labor?

Did you issue a worker a 1099 for services within your usual course of business or for services your business offers? These payments most likely are considered covered wages and should be reported on your Alaska Quarterly Contribution report. If you are unsure, review the "Do You Have Contract Labor" brochure at labor.alaska.gov/estax/forms/contract.pdf. You may also contact any of our Field Tax offices for further clarification.

Do you hire a replacement for yourself while on leave?

Many healthcare facilities (doctors, dentists, etc.) hire other healthcare professionals to work in their offices while they are out for an extended period. These temporary healthcare professionals, locum tenens or independent practitioners, have historically been considered employees for Employment Security Tax purposes. Contact your Field Tax office for information on determining if those you hire to cover for you would be considered an employee.

Incumbent Worker Training funds available for Alaska employers

Did you know Alaska Department of Labor and Workforce Development provides eligible employers with funds for incumbent worker training (IWT)? IWT can make your business more competitive by ensuring your employees have the necessary skills to keep a job or advance. IWT also increases productivity and profits, helps grow your company, prevents layoffs, and reduces turnover. It can benefit your workers by providing advancement opportunities, industry-recognized credentials, and transferrable skills.

Incumbent worker training is flexible to meet your workforce development needs. For example, employers may use IWT funds for training current employees to operate new machinery or software. Entrepreneurs may use IWT funding to learn specific skills to expand their business so they can hire additional employees.

To qualify, training must be completed within the fiscal year, which runs from July 1 through June 30, with one IWT grant per year. Employers contribute to the program based on their number of employees, so an employer with 50 or fewer workers would contribute as little as 10 percent of the training costs, and employee wages paid during training would count toward their contribution. Visit labor.alaska.gov/dets/iwtp.htm for more information or contact dol.iwt@alaska.gov.