



Alaska Employer

Newsletter

Unemployment Insurance Tax



ALASKA DEPARTMENT OF LABOR
& WORKFORCE DEVELOPMENT

Mike Dunleavy, Governor

Catherine Muñoz, Acting Commissioner

Paloma Harbour, DETS Director

September 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
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Juneau

P.O. Box 115509
Juneau, AK 99811-5509
Phone: (907) 465-2787
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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

Be aware of possible fraudulent activity

If you receive mail from our agency for a business you are not involved with, please notify our agency immediately.

Employers have also indicated they have been contacted by a third-party demanding payment to prevent collection action. We do not use a third party to collect missing quarterly reports or payments. Payments should only be made online using TaxWeb, or to our agency either in-person or by mail. To check the status of your account, sign into TaxWeb through myAlaska at tos.dol.alaska.gov/tos. Instructions to sign into TaxWeb can also be found on our website at labor.alaska.gov/estax.

Miscellaneous payments

Miscellaneous payments such as employee bonuses, cash awards, incentive payments, cash equivalents for fringe benefits are considered wages and should always be reported on your quarterly contribution report. This also applies to any payments made to full-time, part-time, temporary or seasonal employees, regardless of the length of employment or the amount of wages paid (AS 23.20.530(a)). Any questions regarding what should be reported on your quarterly report, contact your local Field Tax office.

Keep rates low by reporting correctly

UI contributions must be paid for each employee up to the amount of the current year's taxable wage base, which is \$47,100 for the calendar year 2023.

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Wages paid to an employee more than the taxable wage base must be included in "Total Reportable Wages" (Box 2) and on the wage schedule of the Alaska Quarterly Contribution Report. Amounts exceeding the taxable wage base are to be listed as a total in Box 3.

When wages more than the taxable wage base are not included in total reportable wages and on the wage schedule, you run the risk of creating a decline of your reportable quarterly wages. A decline in total reportable wages from one quarter to the next can have a negative impact on your assigned tax rate.

Reimbursable or Contributory?

If you are a non-profit, political subdivision, or tribal organization, you have the option of paying UI contributions through a reimbursable method. Before choosing the reimbursable method, you should be aware of the risks and responsibilities involved.

Contributory employers make regular trust fund contributions based on their tax rate and taxable wages. Reimbursable employers assume liability for their former employees who receive UI benefits that are based on their wages paid by the reimbursable employer. Reimbursable employers will pay dollar-for-dollar on the portion of their former employees' UI benefits attributable to those wages.

When the reimbursable method is selected, it remains in effect for the remainder of the year elected and the two full calendar years following. Additional pros and cons of electing the reimbursable payment method can be found in our Employment Security Tax Handbook on our website: labor.alaska.gov/estax/documents/taxbook.pdf

You can also receive assistance by contacting our Employment Security Tax office at (888) 448-3527 or (907) 465-2757.

FUTA Tax Reduction

Under the Federal Unemployment Tax Act (FUTA) employers can receive a 5.4 percent offset against the 6 percent FUTA tax imposed if their state has an approved 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. Alaska has an approved UI program and no delinquent federal loans. Therefore Alaska employers can expect to continue to receive their full federal tax offset.

**Third quarter reports and payments
are due by Oct. 31, 2023.**