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From: Electronic Tax Support [REDACTED]
Sent: Friday, September 26, 2008 1:25 PM
To: WA-UNEMPLOYMENT-TAX-INFO@LISTSERV.WA.GOV
Subject: (J)Corporate_Officer_Owner_Communications

A new law affects the way corporate officers of for-profit corporations are covered for unemployment insurance purposes. As of January 1, 2009, corporate officers who provide services in Washington will be covered unless you request otherwise.

This is fundamentally different than under the previous law. Through 2008, corporate officers are generally exempt unless the corporation requested that they be covered. Now they will automatically be covered unless the corporation specifically requests that they be exempt.

If you wish to exempt corporate officers, your corporation must submit a separate request for each officer, even if your company's officers were exempt under the old law. Your request must be on an approved form available on our Web site. Please go to our exempting corporate officers page (<http://www.esd.wa.gov/uitax/corporateofficers/exempt-officers-defined.php>) to begin the process to fill out and print copies of the form. We highly recommend using the Web site to make sure you use the proper form.

If you mail us your exemption request (s) by January 15 and it is approved, the exemption will take effect the same year. If your request for exemption is postmarked or faxed after January 15, the exemption will start January 1 of the following year. We will notify you if we approve your request.

Exempting your corporate officers may avoid some state unemployment insurance costs, but may also increase your federal unemployment insurance taxes (FUTA) . See the Answers to Frequently Asked Questions about the new law for more details (www.esd.wa.gov/uitax/corporateofficers/faq.php) . You can also read the text of the law, RCW 50.04.165 (www.rcw.gov/2ui.com) . You need to scroll down to the law effective January 1, 2009.

Note: the exemption provisions of this law do not apply to nonprofit or reimbursable corporations, corporations that have no employees, or limited liability companies (LLCs) .

If you have questions or need a paper form, call your district tax office (<http://www.esd.wa.gov/uitax/dto-list.php>) .