

Most employers see same or better unemployment-tax rates in 2014

More than 80 percent of Washington employers have lower or stable unemployment tax rates in 2014 compared to 2013.

Specifically, 29 percent have moved into lower rate classes, 53 percent remain in the same rate class, and 18 percent entered a higher rate class due to their layoff history over the past four years.

Employment Security Commissioner Dale Peinecke said, “The tide is turning, and it’s good to see a larger number of companies moving back down the rate ladder.”

Tax rates within each of the 40 rate classes remain the same, ranging from 0.14 percent to 5.82 percent, and more than a third of employers are in the lowest rate class.

Employers are taxed on the first \$41,300 of each employee’s wages in 2014. Overall, the average total unemployment tax per employee will drop by \$6, to \$467 for the year.

To learn about tax rates, visit esd.wa.gov/tax-rates.

UIFastTax will be going away

Our basic computer application for filing quarterly unemployment taxes is not compatible with operating systems newer than Windows XP. We encourage employers who still use UIFastTax to switch to either EAMS or UIWebTax, which offer more features and security.

Although we haven’t yet set a deadline, we eventually will require remaining UIFastTax users to make the switch. Learn about your options at esd.wa.gov/file-taxes.

A better way to manage your account

Employer Account Management Services (EAMS) offers a quick and easy way to manage your Employment Security account. As an authorized EAMS user, you can:

- File and pay unemployment taxes.
- Amend quarterly reports.
- Upload previously reported data to the current period.
- Calculate excess wages.
- Check tax rates.
- Cancel pending payments.
- View your payment history or account balance.

For details, visit esd.wa.gov/file-taxes.

Tax auditing ensures compliance

Federal law requires us to conduct payroll audits. If we select your business for an audit, we’ll review your business records to make sure you comply with unemployment-tax laws.

- If we find you’ve underpaid, we’ll provide details about the taxes, penalties and interest that you owe. We’ll also advise you on how to report correctly in the future and discuss your payment options.
- If we find that you’ve overpaid, we’ll explain how to file for a tax refund or apply your credit to future tax payments.

Learn about audits at esd.wa.gov/uitax/audit, or read the law that authorizes audits at [RCW 50.12.070](http://RCW.50.12.070).

March 2014

Did you know?

If you file quarterly reports on paper, you must use original forms. To avoid a penalty, don’t send us copied or printed tax forms without our approval. To get paper forms, please send an email to us at taxforms@esd.wa.gov and tell us how many employees you have.

File quarterly reports early

Quarterly tax-and-wage reports are due the last day of the month following the end of a quarter (April 30 for the quarter that ends March 31). Since our phone lines get busy near the deadline, we recommend filing early to avoid waiting on hold if you have questions.

Look for confirmation!

Be sure to click the final *next* button when you file taxes on EAMS, UIFastTax or UIWebTax, or when you pay taxes at ePay. If you don’t see a confirmation number, we didn’t get your submission. If you do submit your taxes electronically, please don’t mail us a paper copy.

If you have no payroll

Be sure to file a quarterly report, even if you have no employees. If you don’t file a quarterly report, we can’t tell if it was deliberate or if you simply forgot. For details, see [File a No-payroll Report](#).

Free employer workshops

Learn more about unemployment insurance. For a current training and workshop schedule, visit esd.wa.gov/uitax/workshops.php.

Which corporate officers are eligible for benefits?

Corporate officers generally are eligible for unemployment benefits only if a corporation voluntarily applies to cover its officers and we approve the application. If a corporation wants to cover a corporate officer, it must cover all of them. To apply, please submit a [Voluntary Election form](#).

Corporate officers include the people authorized as such in a corporation's bylaws. Board members are not included unless they also are corporate officers.

Although the deadline has passed for the first quarter of 2014, it's not too late to apply for the rest of the year:

- For a corporation already registered with Employment Security, the deadline is the first day of the last month of the quarter coverage begins (June 1 for the second quarter of 2014).
- For a new corporation or one newly registered with Employment Security, the deadline is the end of the month following the quarter for which coverage begins (July 31 for the second quarter of 2014).

Buying or selling a business?

If you *sell* a business, you are known as a predecessor. Please keep in mind:

- Unemployment taxes you owe are due immediately, and you must pay them within 10 days.
- You must tell us about the sale within 30 days. You can send us that information by submitting a [Business Change form](#).

If you *buy* a business, you are known as a successor and should keep in mind:

- You may inherit the previous employer's tax rate.
- You may become liable for unpaid debt incurred by the previous owner.
- You must tell us about the sale within 30 days. You can send us that information by submitting a [Business Change form](#).
- If applicable, fill out a [Business License Application](#) with the Department of Revenue.

You can read the law about transferring a business at [WAC 192-350](#).

If you receive a notice about an employee

We may send you one of these notices when a former employee applies for unemployment benefits:

- Claimant Separation Statement (Notice to Employer)
- Notice to Base-Year Employer
- Statement of Benefit Charges
- Wage Verification Form

To learn what to do next, see [Employer notices about unemployment insurance](#). You'll find our Web page that:

- Answers some common questions and provides sample forms and general information about what you should do.
- Lists the information we may need from you to make an informed decision about whether your former employee receives unemployment benefits.
- Describes how benefit charges affect your tax rate and the cases in which we may remove benefit charges from your tax-rate account.



The Employment Security Department is an equal-opportunity employer and provider of programs and services. Auxiliary aids and services are available upon request to people with disabilities. Auxiliary aids may include qualified interpreters and telecommunication devices (TTY) for hearing- or speech-impaired individuals. Individuals with limited English proficiency may request interpretive services to conduct business with the department.

Report electronically

Use e-filing and ePay to save time and avoid errors. See your options at esd.wa.gov/file-taxes.

Sign up for email updates

To stay informed about unemployment insurance, [Sign up for email updates](#).

Report fraud

If you suspect a business is not paying its unemployment taxes, or a worker is wrongfully collecting benefits, call our fraud hotline at 866-266-1987, or click our fraud link at suspectfraud.com.

Employer handbook

See our [Tax handbook for employers](#) about unemployment insurance.

File even if you can't pay

File a complete quarterly tax-and-wage report – even if you don't include your payment. Failing to file a report could result in:

- Higher taxes and penalties.
- Delayed or overpaid benefits for your former employees.

After filing, you can contact a tax account management center toll-free at 855-TAX-WAGE (855-829-9243) for payment assistance.

Visit us online at

esd.wa.gov

WORKSource

List job openings.

Search résumés.

All at no cost.

go2worksource.com