

# Business Update



June 2014

## Last chance to file taxes using UIFastTax

The last day you can use UIFastTax to file unemployment taxes is August 31, 2014. We're shutting it down because it's not compatible with operating systems newer than Windows XP, and because our two other applications offer better security and more features. Please make the switch to EAMS or UIWebTax at [esd.wa.gov/file-taxes](http://esd.wa.gov/file-taxes).

If you use Vista or Windows 7 or 8, you cannot use UIFastTax to file because it may not send us all of your employees' wage records, and that could result in penalties.

## New collection tool reduces bad debt

In our first year of participating in the federal government's Treasury Offset Program (TOP), we've recaptured more than \$10.8 million owed by thousands of people who claimed unemployment benefits inappropriately.

Through TOP, we intercepted the income-tax refunds of nearly 11,500 individuals who obtained benefits through fraud or by failing to report earnings as required by law. It's one way we ensure that workers who need and deserve unemployment benefits get them, and that employer taxes are used as intended.

In August, Employment Security plans to begin using TOP to collect debt from employers with delinquent taxes.

## Personal help for small businesses

Are you a small-business owner with a question or problem and don't know where to turn? Let us help! [Small-business liaisons](#) from 25 state agencies are ready and waiting to serve you with fast, friendly help. They reach out, develop new business tools and help businesses work with state agencies.

The liaison for Employment Security is Allen Walker, who can be reached at [SmallBusiness@ESD.wa.gov](mailto:SmallBusiness@ESD.wa.gov) or 360-902-9373.

## Tips to help you avoid filing mistakes

Do it right and head off penalties.

### • Remember to file a no-payroll report

You must file a no-payroll report for the quarter if you have no employees. Call 888-836-1900 and use the personal identification number (PIN) printed in your new-employer package. If you've forgotten your PIN, request it at [status@esd.wa.gov](mailto:status@esd.wa.gov) or 360-902-9360. If you prefer, you can file a no-payroll report on EAMS or UIWebTax, or follow the no-payroll instructions on our paper tax-report form.

### • Pay taxes on earnings up to \$41,300

Employers pay tax on each employee's wages up to the taxable wage base, which is \$41,300 for 2014. Since this amount changes each year, we print it on the paper tax form in the *excess wages* section.

### • Know when to report wages of corporate officers

Report their wages only if you requested unemployment insurance for corporate officers, and we approved your request. Learn more in our [frequently asked questions about corporate officers](#).

### • Apply the correct tax rate

Every December, we mail you a notice that shows your tax rate for the next calendar year. Please use the 2014 rate this year.

## Did you know?

To cut costs, we've stopped automatically mailing our [Handbook for Unemployed Workers](#) (which details benefits requirements) to everyone who applies for unemployment benefits. Click the link to download it from our website. Printed copies are available at WorkSource centers.

## Employer handbook

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

## Questions about taxes?

Call 855-TAX-WAGE to ask questions about unemployment taxes.

## Questions about benefits?

For questions related to specific benefit claims, call 877-504-5607.

## Need technical support for online tax filing?

Contact us at 800-565-4660 or [uiftsupport@esd.wa.gov](mailto:uiftsupport@esd.wa.gov).

## Free employer workshops

Learn more about unemployment insurance at our [local workshops](#).

## Sign up for email updates

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

## Required posters

By law, employers must display certain posters. Download our free [forms, posters, publications and videos](#).

## Prepare for an audit by watching this video

The prospect of an audit can be intimidating. The online video [How to prepare for an audit: A guide for small businesses](#) tells you what to expect if you're scheduled for an audit with one of these Washington state agencies:

- Department of Labor & Industries
- Department of Revenue
- Employment Security Department

If you're a large-business owner, an accountant or a bookkeeper, and you would like more detailed information about audits, please click one of the tabs below the video.

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## Changes in unemployment tax regulations

These recent rule changes may affect you. If you have questions, call 855-TAX-WAGE (855-829-9243). To learn how you can petition to amend or repeal these rules, visit our [ESD rule-making](#) Web page.

- We charge a \$25 penalty if you submit an incomplete application when you register with us. In some cases, we may waive the penalty. ([WAC 192-310-010](#))
- You must file both the tax and the wage sections of your quarterly report on time to avoid a \$25 late penalty. ([WAC 192-310-030](#))
- If someone commits fraud to receive unemployment benefits, the initial penalty is 15 percent of benefits overpaid. The second time it's 25 percent; after that, it rises to 50 percent. ([WAC 192-220-045](#))
- Employers risk losing their eligibility for benefit-charge relief if they contribute to benefit overpayments by failing to respond adequately and on time to our information requests. ([WAC 192-320-081](#) to [192-320-084](#))
- If a decision about benefits calls for a credit to an employer's account, we will apply the credit retroactively to the quarter when the erroneous charge took place. This reduces the chance of an unwarranted tax-rate increase. ([WAC 192-320-085](#))
- You may ask to negotiate a settlement with us if you owe taxes, interest or penalties, and collection of the full amount would be against "equity and good conscience." We will decide whether a settlement is appropriate based on factors relevant to your situation. ([WAC 192-330-120](#))
- Employment Security or other interested parties may petition for review of decisions made by the Office of Administrative Hearings (OAH), which is a separate state agency. ([WAC 192-04-060](#))

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## The best way to manage your account

[Employer Account Management Services \(EAMS\)](#) offers a quick and easy way to manage your Employment Security account. As an EAMS user who is authorized to access locked services, 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.



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](http://esd.wa.gov/file-taxes).

## Report new workers

Federal and state laws require you to report new employees within 20 days after hiring to the Division of Child Support at the Department of Social & Health Services (DSHS). This includes anyone who has returned to work after a separation of 60 or more consecutive days. Your information helps identify people committing fraud by claiming unemployment benefits after returning to work. To report new workers, log into your DSHS account. Learn more at [New-Hire Reporting](#).

Visit us online at

[esd.wa.gov](http://esd.wa.gov)

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