

STATE OF ALABAMA
DEPARTMENT OF LABOR

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EMPLOYER HANDBOOK
Unemployment Compensation Division

ALABAMA DEPARTMENT OF LABOR

UNEMPLOYMENT COMPENSATION DIVISION ADMINISTRATIVE OFFICES

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Delinquency Control

Telephone: (334) 954-4725

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Status

Telephone: (334) 954-4730

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Fax: (334) 353-1568

ADOL Website: www.labor.alabama.gov

Alabama Relay Center: 1-800-548-2546 (TTY ONLY) or 1-800-548-2547

Introduction

There are approximately 86,000 employers in Alabama covered by the Alabama Unemployment Compensation (UC) Law. Of these, 85,000 are considered contributory employers. This handbook is written for contributory employers. Separate chapters are included for governmental and non-profit employers.

This handbook is written to assist employers in their dealings with the State of Alabama Department of Labor UC program. The material touches on the main concerns of most employers. Some questions you have may not be covered, and you are encouraged to contact the appropriate Sections of the UC Division for further information.

Statements in this handbook are general information.
This handbook does not have the effect of law, rules, or regulations.

The Alabama UC Law was passed in 1935. The UC program has undergone many changes over the years as a result of federal and state law amendments.

A web site on the internet is available. It provides additional information generated by frequently asked questions. The address for this web site is on the opening page of this handbook. Information concerning Workers' Compensation, the Employment Service and other programs administered by the Alabama Department of Labor can be accessed from this web site. Links with the U.S. Department of Labor and other employment security programs are also maintained.

We are interested in your comments concerning this handbook. How can we make it more useful to you? If you have any suggestions for improvement or requests for other publications mentioned, please mail or fax them to:

Unemployment Compensation Division
649 Monroe Street – Room 2466
Montgomery, AL 36131-4200
Fax: (334) 242-8258
ADOL Website: www.labor.alabama.gov

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CHAPTER 1

DETERMINING LIABILITY

WHO IS COVERED

Most employers doing business in Alabama are subject to the provisions of Alabama's UC Law. Coverage under the UC provisions of the Law depends upon the type and nature of the business, number of workers employed, or amount of wages paid.

Each employer must:

Complete an “**Application to Determine Liability**,” **Form SR2**, to furnish a record of employment. When this report has been submitted to the Status Unit of the Alabama Department of Labor reflecting liability, the employer will be assigned an account number to be used to report wages and pay contributions. The Form SR-2 may be downloaded from the website or an employer may register directly on our website at www.labor.alabama.gov and obtain an account number immediately. The ten digit account number must be shown on all subsequent correspondence and reporting forms. See the instructions for registering an account on our website at the end of this chapter.

In general, an employer is covered and is liable for the payment of contributions if it meets the criteria found in part A of the **Form EL-1(SUP), UC Application to Determine Liability Pertinent Coverage Provisions**. Information on the Form covers the following types of employers:

- Regular (Non-Farm) Business Employers
- Household (Domestic) Employers
- Agricultural Employers
- Individual Owners
- Partnerships
- Corporations
- Coverage Under the Federal Unemployment Tax Act (FUTA)
- Successors-in-Interest
- Non-Profit Organizations

If the owner of a non-farm business or industry also employs agricultural workers on a farm or domestic workers in a private household, liability under the agricultural, domestic, or business provisions of the law will be determined separately. As these different types of employment for the same legal entity must be reported separately, a master account will be assigned with subsidiary accounts for each type of employment. After this determination, employment experience for all categories of operations will be combined to determine the tax rate. (See Chapter 4)

An employer must also:

Display a poster to inform employees that the employer is covered under the Alabama UC Law. The poster will be furnished by the Alabama Department of Labor along with the employer notice of liability.

File reports as required by law.

Pay “contributions” in the amount and by the dates prescribed by law.

Governmental entities and non-profit employers are determined liable under separate criteria. Chapters 5 and 6 respectively cover these two types of employers in more detail.

An “Employee” is defined as:

- Any individual performing personal services for an employing unit, under the direction and control of the business, and/or
- Any individual producing goods or services in the name of the business, using facilities or property of the business and is an integral part of the business. Any question as to non-coverage of any workers must be decided on a case-by-case basis.
- S-Corp – LLC - Owner/officers of an S-Corp/LLC must report their wages. Eligibility for unemployment benefits would be determined by the ADOL Benefits Section at the time the owner/officer made application.

Once liability is established and an account number assigned, it is the employer’s responsibility to:

- ✓ Display a poster to inform employees that the employer is covered under the Alabama Unemployment Compensation Law. The poster will be furnished by the Department along with the employer notice of liability.
- ✓ File reports as required by law.
- ✓ Pay “contributions” in the amount and dates prescribed by law.

SUCCESSORS

An individual or employing unit is termed a successor upon acquiring the organization, trade or business or substantially all the assets of another employer, the predecessor. If an acquired entity was covered by the law, the successor is automatically covered regardless of the number of workers it employs as long as there are one or more employees.

This is true even if the successor acquires only part of the acquired entity’s business, and that part alone would have been covered by the law, “either that year or the preceding

year.” The successor becomes covered immediately regardless of the number of workers it employs the rest of the year.

In order for partial successors to petition for a computed rate other than the new employer entry rate of 2.70%, the employer must notify the UC Division within ninety (90) days* of the date of acquisition. The employer must file the required wage transcripts associated with the partial acquisition within one hundred twenty (120) days* of the acquisition.

*These time requirements cannot be waived.

Partial successors with common ownership or employers who transfer employees between commonly-owned entities will be assigned Master and Unit accounts. This ensures that the experience is transferred per the “SUTA Dumping Prevention Act.” See “SUTA Dumping” at the end of this section for details.

In 2014 the Alabama Legislature passed bill 25-4-8 Business Acquires 65% of Previous Business. This law mandates that a company that acquires 65% of the organization, trade, employees, or business will inherit the experience rating of the original business. This law is effective July 1, 2014.

EXCLUSIONS

The following are the most common services statutorily excluded from employment. Such services will not be counted in determining tax liability.

- Casual labor not in the usual course of an employer’s trade or business and of a temporary non-recurring nature.
- The individual owner of a business is not an employee, nor the parents, spouse, or the owners’ children under the age of 21. (This exclusion does not apply if the entity is a corporation or non-family partnership. Family partnerships may have this exclusion applied based on the relationship of partners to workers.)
- Railroad employment.
- Insurance agent or solicitor remunerated solely by way of commission.
- Certain non-profit organizations with less than four employees.
- Services performed in the employ of a school, college or university, if such service is performed by:
 - A student who is enrolled and regularly attending classes.

- A spouse of a student under a program to provide financial assistance to such student and such employment is not covered by UC program. Such conditions must be explained to the spouse at the time of hire.
- Services performed by a full-time student in a work-study program which combines academic credit with work experience and which the educational institution has so certified to the employer.
- Services performed by a patient in a hospital.
- Services performed in a hospital by a student nurse who is enrolled and regularly attending classes in an approved or state chartered nurse's training school.
- Services performed in a hospital by an intern who has completed a four year course in a medical school.
- Services performed by an individual under the age of 18 in the door-to-door delivery of newspapers or shopping news.
- Services performed in the employ of the owner of a foreign vessel.
- Services performed by a qualified real estate agent.
- Services performed as a direct seller.
- Services performed by an individual committed to a penal institution, effective July 1998.

VOLUNTARY COVERAGE

Any employing unit (except one whose employment is specifically exempt under the provisions of subsection (b) of Section 25-4-10) not otherwise liable under the law may apply for voluntary coverage for their employees. Voluntary coverage is for a minimum of two calendar years and subject to approval. A Form **UC-6** must be completed and submitted to the Director of the Alabama Department of Labor for approval.

DATE OF LIABILITY

The employer becomes liable as of January 1 or the inception date of employment (whichever is later) of the year in which its employment first meets the law's provisions for tax liability. Once it becomes liable, it is liable for tax on all taxable wages during that calendar year.

A successor is liable from the date it has employment. If the preceding employing unit was not a covered employer, the successor, if it later becomes liable, will be liable as of the date it began operation.

TERMINATIONS

Once liable, all employers remain liable for at least two calendar years, regardless of the number of employees, so long as they employ workers.

Employers who cease to have sufficient employment may request termination of coverage. A written request, Form **UC-8**, must be received by the Department on or before March 31*, stating that it did not meet the coverage requirements during the preceding calendar year. If granted, termination will be effective January 1 of the year the request is made. This form may also be accessed on the ADOL website under “Employer Account Status” then “Mailing Address/Telephone Number Changes” option. Once the account is terminated, it cannot be reopened if the employer meets liability again at a later date. Application must be made at that time for a new account number. Additionally, the new employer rate of 2.70% will be assigned regardless of the rate at the time the UC-8 was filed.

*Note: This time requirement cannot be waived.

SUTA DUMPING

In August, 2005, the Governor of Alabama signed into law the SUTA (State Unemployment Tax Act) Dumping Prevention Act as mandated by the Federal SUTA Dumping Prevention Act of 2004. This law prevents companies from establishing new accounts or moving employees in order to avoid a high UC tax rate.

The new law requires an automatic transfer of experience when an employer transfers its trade or business or a portion thereof to another employer; and, at the time of the transfer there is substantially common ownership, management or control of the two employers. Also, if an employer who is not already liable acquires another business solely for the purpose of obtaining a lower rate of contributions, then the employer will be assigned the applicable new employer rate under Section 25-4-51(a)(2) of the Alabama Unemployment Compensation Law.

If an employer knowingly violates or attempts to violate the SUTA Dumping Law, then penalties and fines will be assessed; and the violation may be prosecuted as a Class C felony. For more information, please refer to the Alabama UC Law Section 25-4-8-(c).

INSTRUCTIONS FOR REGISTERING AN ACCOUNT ON THE WEBSITE

WEBSITE: www.labor.alabama.gov

On the Alabama Department of Labor homepage click on “Business.” Select the “Register for a new e-Gov Account” option (photo of a man on a telephone). Create a userID and password and complete the information about the business. Once your e-Gov account is established, continue to the screen “Approved for these Applications,” and select “Employer Account Status.” You will then click on the “SR-2-Employer Registration” and complete the form to receive a ten digit account number.

The same userID and password may be used to file wage reports, change the mailing address and/or telephone number for the business, and obtain a copy of the annual Tax Rate Notice.

FORMS

FORMS



STATE OF ALABAMA
DEPARTMENT OF LABOR
UNEMPLOYMENT COMPENSATION DIVISION
649 MONROE STREET
MONTGOMERY, ALABAMA 36131
STATUS UNIT: (334) 954-4730 FAX: (334) 954-4731
EMAIL: status@labor.alabama.gov
www.labor.alabama.gov

APPLICATION TO DETERMINE LIABILITY

IMPORTANT NOTICE

Under Alabama law you are required to furnish the information requested on this application. Each false statement or refusal to furnish information on this report, or willful refusal to make contributions or other payments is punishable by fine or imprisonment, or both, and each day of such refusal shall constitute a separate offense.

EMPLOYER NAME AND MAILING ADDRESS

FEDERAL EMPLOYER I.D. NUMBER (FEIN)

This number is assigned by the Internal Revenue Service

1. Mark (x) one type of employment. A separate form must be filed for each type of employment.

NON-FARM **AGRICULTURE** **DOMESTIC** **GOVERNMENT:** **STATE** **LOCAL**

2. Do you have a previous Alabama Unemployment Compensation Account? **YES** **NO** 2a. If yes, account number: _____

3. Do you have employees located in another state? **YES** **NO** 3a. If yes, in what state(s)? _____

4. Is your firm subject to the Federal Unemployment Tax Act (FUTA)? **YES** **NO** 4a. If yes, year liability first incurred: _____

4b. Have you remained liable since that date? **YES** **NO**

5. Did you start a new business? **YES** **NO** 5a. If no, did you acquire an ongoing business? **YES** **NO**

5b. Date Alabama employment began: _____ 5c. Date payroll began: _____

6. If you acquired **ALL** or **PART** of an ongoing business, enter the NAME, TRADE TITLE and ADDRESS of your predecessor employer:

6a. Predecessor's telephone number (if known): _____ 6b. Predecessor FEIN (if known): _____

6c. If your predecessor was liable in Alabama, enter their Alabama Unemployment Account Number (if known): _____

6d. Date acquired from predecessor: _____ 6e. Did your predecessor discontinue business? **YES** **NO**

6f. If yes, date discontinued: _____

7. List below TOTAL ALABAMA WAGES paid to all employees during each calendar quarter of each year from the date in Item 5b. Include remuneration paid to officers of corporations and wages of part-time employees for current year and previous year, if applicable.

	JAN-FEB-MAR	APR-MAY-JUN	JUL-AUG-SEP	OCT-NOV-DEC
CURRENT YEAR:				
PREVIOUS YEAR:				

8. List below, by type of employment, the number of individuals in your employ within each week. A month with five Saturdays is considered to have five weeks of employment. Include all part-time employees and officers remunerated by corporations.

	WEEK	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC
Current Year _____	1st												
	2nd												
	3rd												
	4th												
	5th												
Previous Year _____	1st												
	2nd												
	3rd												
	4th												
	5th												

9. ITEM 9 MUST BE COMPLETED IN ITS ENTIRETY. Use the enclosed instruction sheet for Item 9 to complete Columns 1-5; refer questions to LMI at 334-954-7447. Please Be Specific. List each location and type of operation or activity separately. (Attach additional sheets if necessary.)

Column 1		Column 2	Column 3	Column 4	Column 5
Name	Location				
Name and location -- Each unit in Alabama Enter "Statewide" if no permanent location		Alabama County	Employee count per unit	Indicate specific type of activity in detail See Instructions Sheet for Assistance	Enter Percent
					%
					%
					%
					%

9a. Is the above work site primarily engaged in performing support or services for other work sites of the company? **YES** **NO**

9b. To whom are most of your products sold? **GENERAL PUBLIC** **CONSTRUCTION CONTRACTORS** **RETAILERS**
WHOLESALEERS **OTHERS** (Specify) _____

10. Form of organization: **INDIVIDUAL** **PARTNERSHIP** **CORPORATION** **ASSOCIATION** **ESTATE OR TRUST** **LLC** (see 10a.)
NON-PROFIT ORGANIZATION (see 10b.) **OTHER** (Specify) _____

10a. Indicate tax filing status with IRS (include all members and their social security numbers or Federal Identification numbers in Item 11)
CORPORATION **PARTNERSHIP** **SOLE PROPRIETOR** **DISREGARDED ENTITY**

10b. Is the organization exempt under 501(c)(3) of the IRS Code? **YES** **NO** (If yes, submit a copy of the 501(c)(3) letter of exemption.)

11. For positive identification, list below the full name(s), social security number(s) and title(s) of individual owner, partners or officers.

Name	Social Security Number	Title

12. If not otherwise subject, do you wish to voluntarily elect coverage under the Alabama Law? **YES** **NO**

13. Name and business location/physical address: 13a. Tax Preparer/CPA/Accountant:

Name of Applicant, Employer, Corporation, Partnership, Trust, etc.

Trade Name or Division (if different from above)

Physical Address

CityCountyStateZip

Area Code – TelephoneArea Code – Facsimile

Contact Person

Email Address

Name of Tax Preparer/CPA/Accountant

Trade Name or Division (if different from above)

Address

CityCountyStateZip

Area Code – TelephoneArea Code – Facsimile

Contact Person

Email Address

I certify the information provided on this application is true and correct to the best of my knowledge.

14. Business Name: _____ Signature: _____ Date: _____

NOTE: IF CPA, TAX PREPARER, ETC., IS ONLY SIGNATURE, PLEASE ENCLOSE POWER OF ATTORNEY.

INSTRUCTIONS FOR COMPLETING FORM SR-2

Use BLACK ink if handwritten or typed. Enter your correct business name and mailing address in the blank space in the upper left hand corner of the form. Enter the federal employer identification number issued to you by the IRS in the blocks to the right of the mailing address. For questions on Items 1-8 and 10-14, call the Status Unit at 334-954-4730. For questions on Item 9, call the Labor Market Information Division at 334-956-7447.

ITEM 1. Mark the type of employment you are reporting

- . NON-FARM is employment in any regular business that is not agricultural, domestic, or governmental.
- . AGRICULTURAL is employment on a farm in connection with raising or harvesting any agricultural or horticultural commodity.
- . DOMESTIC is employment in a private home, local college club, or local chapter of a college fraternity or sorority for a person, their spouse, or estate.
- . GOVERNMENTAL is employment in state and local entities.

ITEM 2. If yes, enter account number on Item 2a.

ITEM 3. If yes, enter what state(s) on Item 3a.

ITEM 4. Your firm is subject to FUTA if you had employees in another state prior to having employees in Alabama. Enter the year you became subject on Item 4a. and indicate on Item 4b. if you are still liable.

ITEM 5. If you started a new business, mark yes and enter date of your first employment on Item 5b. Skip to Item 7. If you acquired an on-going business, enter date of your first employment on Item 5b. and complete Item 6.

ITEM 6. The predecessor is the previous owner from whom you acquired the business or the entity with which your firm merged. If you changed form of organization (i.e. sole proprietor to corporation), the predecessor is the entity from which you changed. Enter all information in Items 6a., b., c., and d. In Item 6e., mark yes if your predecessor (previous owner) will no longer report employment in Alabama and enter the date on which the predecessor ceased employment on Item 6f.

ITEM 7. Insert year and total wages paid in each quarter. If the present quarter is not complete, enter total wages paid to date.

ITEM 8. Enter the year for which you are reporting and the number of employees you had in employment each week following the date entered in Item 5b.

ITEM 9. See attached instruction sheet. For questions on Item 9, call the Labor Market Information Division at 334-956-7447.

ITEM 10. Mark form of organization. If LLC, you must indicate filing status with the IRS on Item 10a. If Non-Profit with 501(c)3 exemption, mark yes on Item 10b. and attach a copy of your letter of exemption from the IRS.

ITEM 11. List name of owner, partners, officers and members and their social security numbers. If the member(s) of the LLC is another entity, enter that member's federal identification number.

ITEM 12. If yes, you must submit an Application for Voluntary Election (Form UC-6). The Application for Voluntary election may be downloaded at www.labor.alabama.gov/docs/forms/uc_form_uc-6.pdf.

ITEM 13. Enter your business name, physical location in Alabama, and telephone number. List fax, email address and contact person, if applicable.

ITEM 13a. Leave blank if you prepare your own reports. If someone else is responsible for filing your wage reports, enter all applicable information.

ITEM 14. The application should be signed by an owner or officer of the business. However, if signed by a CPA, Tax Preparer, etc., a Power of Attorney should be included with the application in order to handle tax matters for the subject entity. The Power of Attorney form may be downloaded at www.labor.alabama.gov/docs/forms/uc_power_of_attorney.pdf.

INSTRUCTIONS FOR COMPLETING ITEM 9 OF FORM SR-2

Column 1. Enter the trade name and physical location (including street address, city and zip code) for each operating unit to be covered under this account number. In the event there is no permanent Alabama location, enter "Statewide" beside the name of that operating unit.

Note: Employee residence is not considered a permanent location.

Column 2. Enter the county or counties in Alabama for each operating unit.

Column 3. Enter the number of employees by each operating unit. If the unit listed has not begun operations, estimate the expected number of employees.

Column 4. Using examples below, list the specific activity(s) and detail for each operating unit.

Column 5. Enter the percentage of total sales or value of receipts for each specific activity.

The following list includes **HEADINGS** for your convenience and **EXAMPLES** of specific activities with examples of detail. All activities and services are **NOT** included in examples.

Format for examples for Column 4 :

HEADING

Specific Activity ----- detail

ACCOMMODATION & FOOD SERVICES

Accommodation ----- hotels, bed & breakfast inns, vacation camps, rooming & boarding houses, etc.

Food Services & Drinking Places ----- limited service restaurants, cafeterias, snack bars, mobile food service, bars, etc.

ADMIN/SUPPORT WASTE MGT/REMEDICATION SERVICES

**** EMPLOYEE LEASING - ALWAYS PROVIDE A LIST OF CLIENTS** AND**

Administrative & Support Services ----- temporary help, employee leasing, telephone answering, security guards, janitorial, lawn service, grass cutting, landscaping, travel agencies, etc.

Waste Management & Remediation Services ----- hazardous waste collection, solid waste incinerators, septic tank, etc.

AGRICULTURE, FORESTRY, FISHING & HUNTING

Fishing, Hunting & Trapping ----- fishing (finfish, shellfish, other), hunting & trapping, etc.

Agriculture & Forestry Support Activities ----- cotton ginning or harvesting, soil preparation, farm management, etc.

ARTS, ENTERTAINMENT & RECREATION

Arts, Entertainment & Recreation ----- dinner theaters, sports teams, managers for artists, museums, amusement parks, etc.

CONSTRUCTION

**** ALWAYS INDICATE PRIMARILY RESIDENTIAL OR NONRESIDENTIAL ** AND**

Building, Developing & General Contracting ----- land subdivision, single/multi family, residential remodeling, commercial bldg, etc.

Heavy Construction ----- street, bridge, pipeline, power transmission line, industrial nonbuilding structure, etc.

Special Trade Contractors ----- plumbing, heating, electrical, painting, tile, roofing, masonry, excavation, wrecking, etc.

CONSULTING

Consulting ----- computer systems, engineering, real estate, personnel management, etc.

EDUCATIONAL SERVICES

Educational Services ----- public & private schools, cosmetology school, flight training, computer training, etc.

FINANCE & INSURANCE

Finance ----- central bank, credit unions, mortgage brokers, investment advice, custody activities, etc.

Insurance ----- direct life, property, title, claims adj, pension funds-third party admin, trusts, etc.

More examples on back

HEALTH CARE AND SOCIAL ASSISTANCE

Ambulatory Health Care Services & Hospitals ----- mental health physicians,dialysis cntrs,medical labs,substance abuse hospitals,etc.
Nursing & Residential Care Facilities ----- assisted living communities,homes for the elderly,etc.
Social Assistance ----- family services,emergency relief services,vocational rehab,child day care,etc.

INFORMATION

Publishing, Motion Picture and Sound ----- newspaper,greeting card,drive-in,teleproduction,integrated record production,etc.
Broadcasting & Telecommunications ----- radio networks or stations,cable dist,wired telcom carriers,telcom resellers,etc.
Information & Data Processing Services ----- libraries,on-line information,data processing services,etc.

MANAGEMENT OF COMPANIES & ENTERPRISES

Mgt of Companies & Enterprises ----- offices of bank holding companies,corp,subsidiary,regional managing offices,etc.

MANUFACTURING

Textile Mills ----- yarn spinning or texturing,narrow fabric,nonwoven fabric,fabric finishing,
Apparel Manufacturing ----- sheer hosiery,men's cut & sew shirt,fur apparel,hat,glove,etc.
Leather & Allied Product Manufacturing ----- tanning,house slipper,men's footwear,luggage,handbag,etc.
Wood Product Mfg ----- sawmills,hardwood veneer,door,manufactured home,pallet,etc.
Paper Mfg ----- paper mills,folding paperboard box,coated paper,envelope,stationery,etc.
Printing & Related Support Activities ----- commercial lithographic or screen,digital,business forms,tradebinding,etc.
Plastics & Rubber Products Mfg ----- unsupported plastics bag,plastics pipe,tire mfg or retreading, etc.
Primary Metal Mfg ----- iron mills,rolled steel shape,alumina refining,primary smelting,steel foundries,etc.
Fabricated Metal Product Mfg ----- iron forging,cutlery,prefab metal bldg,hardware,heavy spring,bolt,small arms,etc.
Electrical Equip, Appliance & Component ----- nonresidential lighting,household vacuum,generator,current carrying wire,etc.
Furniture & Related Product ----- residential or nonresidential,upholstered,kitchen cabinets,mattress,blinds,etc.

MINING

Oil & Gas Extraction ----- crude petroleum,natural gas,natural gas liquid,etc.
Mining (Except Oil & Gas) ----- underground or surface,gold,coal,metal,nonmetallic mineral quarrying,etc.
Mining Support Activities ----- drilling oil & gas wells,operations support for coal or metal mining,etc.

OTHER SERVICES (EXCEPT PUBLIC ADMIN)

Repair & Maintenance ----- auto transmission repair,electronic equipment,reupholstery,etc...without retail sales
Personal & Laundry Services ----- hair care service,diet center,cemeteries,drycleaning,one-hour photofinishing,etc.
Religious/Grantmaking/Prof/Like Organizations ----- voluntary health,environment organizations,labor unions,political organizations,etc.
Private Households ----- private households

PROFESSIONAL, SCIENTIFIC & TECHNICAL SERVICES

Professional, Scientific & Technical Services ----- lawyers,tax preparation,payroll svcs,facilities management,marketing,veterinary,etc.

PUBLIC ADMINISTRATION

Public Administration ----- legislative bodies,correctional institutions,admin of public health programs,
admin of conservation programs,admin urban planning,regulation & admin of
transportation programs,space research,etc.

REAL ESTATE & RENTAL & LEASING

Real Estate & Rental & Leasing ----- residential/commercial property mgrs,car rentals,self storage,etc.

TRADE - RETAIL

Store & Nonstore Retailers ----- new car dealers,home furnishings,household appliances,paints,baked goods,
pharmacies,gasoline stations w/convenience stores,shoes,warehouse clubs,
florists,manufactured home dealers,vending machines,heating oil dealers,etc.

TRADE - WHOLESALE

** ALWAYS INDICATE ON OR OFF-SITE INVENTORY, TYPE OF PRODUCT SOLD ** AND

Merchant,Mfg Rep/Broker,B2B,Import/Export ----- motor vehicle,office equip,electrical goods,pharmaceuticals,livestock,etc.

TRANSPORTATION & WAREHOUSING

Air, Rail, Water Transportation ----- scheduled freight air,short line railroads,deep sea passenger,inland water freight,etc.
Truck Transportation ----- local general freight,long-distance specialized freight,used office goods moving,etc.
Other Transportation ----- crude oil,land sightseeing,air traffic control,port operations,freight arrangements,etc.
Warehousing & Storing ----- general,refrigerated,farm,etc.

UTILITIES

Generation, Transmission, Distribution, etc. ----- hydroelectric,fossil,nuclear,natural gas or electric power distribution,irrigation,etc.

**SOME PERTINENT COVERAGE PROVISIONS
FOR EMPLOYERS UNDER
THE ALABAMA UNEMPLOYMENT COMPENSATION LAW**

- A. ESTABLISHING LIABILITY:** The individual owner is not an employee, nor the parents, spouse, or children of the owner under the age of 21. Partners in a partnership are not employees of the business. Any remuneration received by officers of a corporation is taxable.
- 1. Employers Liable Under the Federal Unemployment Tax Act:** Any employer subject for the current or preceding calendar year to the excise tax on payrolls imposed under Section 3306 of the Federal Internal Revenue Code (Federal Unemployment Tax Act) is subject to the Alabama Act regardless of the number of employees it has in Alabama. Liability in this instance is from the date Alabama operations commence.
 - 2. Successor-in-Interest** (An employer becomes subject by:)
 - (a) Acquiring the trade, business, or organization, or substantially all the assets thereof, of another employer which at the time of such acquisition was an employer subject to the Alabama Act.
 - (b) Acquiring a segregable part of the organization, trade or business of another employer which was at the time of acquisition an employer subject to this Act; provided, such segregated part would itself have been an employing unit subject to this Act had it represented the entire business of the predecessor.
 - (c) Acquiring the organization, trade, or business, or substantially all the assets of another, not at the time of acquisition an employer subject to this Law, if the employment prior to the date of acquisition combined with the employment subsequent to the date of acquisition, both within the same calendar year is sufficient to render an employer subject as outlined above.
 - 3. Extent and Duration:** The Alabama Unemployment Compensation Law provides that, except for governmental entities, an employer becomes subject thereto and liable for taxes thereunder when any one of the following conditions are met:
 - (a) Non-Farm Business Employers**
 - (1) When the employer has paid wages of \$1,500 or more in any calendar quarter during the current or preceding calendar year; or
 - (2) has had in employment one or more workers on some day in 20 or more different weeks, whether or not consecutive, during the current or preceding calendar year.
 - (b) Household Domestic Employers**

Domestic employers become liable when the employer pays domestic workers in a private household, college club, fraternity or sorority house a total of \$1,000 or more in cash wages in any calendar quarter during the current or preceding calendar year.
 - (c) Agricultural Employers.**
 - (1) When the employer has paid a total of \$20,000 in cash wages to agricultural workers during any calendar quarter of the current or preceding calendar year; or
 - (2) has had in employment 10 or more agricultural workers on the same day in 20 or more different weeks, whether or not consecutive, during the current or preceding calendar year.
 - (d) Non-Profit Organizations**
 - (1) Non-profit organizations that are exempt from Federal Unemployment Tax under the provisions of Federal Law 3306(c)(8) and are exempt from the IRS Code under Section 501(c)(3) become liable at the beginning of the calendar year (or as of the date it begins operation if after the beginning of the year) during which the organization has 4 or more employees on some day in 20 or more different weeks, whether or not consecutive, during the current or preceding calendar year.

- (2) Non-profit organizations subject to the Alabama UC Law and exempt under the same provisions listed above may elect, if they so desire, to make payments in lieu of the regularly required contributions. These are called "Reimbursement" payments and are made to reimburse the unemployment insurance fund for the benefits paid to former employees of the non-profit organization on a dollar for dollar basis.
- (3) Even though a non-profit organization may meet the above conditions, it is exempt entirely if it is organized and operated primarily for religious purposes.

B. EMPLOYER TAX RATE:

1. New employers determined liable for years beginning on or after January 1, 1976, are taxed at a rate of 2.70% of taxable wages. Such employers become eligible for experience rating effective January 1 following that fiscal year (ending June 30) throughout which its account has been chargeable with benefit wages.
2. An employer determined subject as a successor-in-interest (Paragraph A.2. above) succeeds to the employment experience and tax rate of the predecessor employer. An employer who succeeds to a segregable portion of a business acquires that portion of the employment experience and tax rate identified with the acquired portion in Paragraph A.2.(b) only if:
 - (a) he makes written application for such transfer of employment experience within ninety calendar days from the date of the acquisition of the said portion; and
 - (b) furnishes to the Director a transcript of such total and taxable payrolls which correspond to the acquired segregable portion within one hundred twenty calendar days from the date of acquisition. The responsibility for filing such transcripts rests with the employer.
3. Merger. In the event two or more subject employers are merged, with one being the surviving entity, the tax rate of the survivor will prevail throughout the balance of the tax rate year during which such merger occurred (January 1 through December 31 of the same year). Effective for the following tax rate year, the employment experience of the merging entities will be combined for tax rate purposes. If neither of the original entities survive and an entirely new entity emerges, then the experience of all merging employers is immediately combined for rate purposes.

C. TAXABLE LIMITATION OF EARNINGS:

1. Beginning 1983, taxable wages are eight thousand dollars (\$8,000).
2. Wages paid to an employee by a predecessor-in-interest or wages paid in another state to an employee who has been transferred to Alabama by the same employer, or its predecessor, all within the same calendar year, may be taken into account in arriving at the taxable limitation.
3. Wages in excess of the taxable limitation must be reported but are not taxable.

NOTE: The employer tax, if timely paid, is allowed as a full credit (such credit being computed at five and four tenths percent (5.4%) regardless of the prevailing experience rate) against the excise tax on payrolls imposed under the Federal Unemployment Tax Act.

D. REPORTING REQUIREMENTS: Reports, accompanied by remittances, are due for each calendar quarter ending March 31, June 30, September 30, and December 31, and become delinquent at the close of business on the last day of the month immediately following the close of the calendar quarter - April 30, July 31, October 31, and January 31. Wages should be reported in the quarter in which they were paid, not in the quarter in which they were earned. Adjustments in wages paid in a prior quarter must be made in the quarter in which they were paid and reported.

E. PENALTY FOR LATE REPORTS: A late filing penalty is assessed against the employer for each report that is not timely filed, regardless of whether or not any tax is due for the quarter. For quarters prior to December 31, 1995, the penalty is \$5. For quarters beginning with January 1, 1996, the penalty is \$25, or 10% of the tax due, whichever is greater.

F. LIABILITY APPEALS: Any Appeal of Liability must be made in writing within thirty (30) days of the date of the Liability Determination Letter. An Appeal, if desired, should be directed to the Chief of Tax, Room 4435, 649 Monroe street, Montgomery, Alabama 36131.

ALABAMA DEPARTMENT OF LABOR
UNEMPLOYMENT COMPENSATION DIVISION
APPLICATION FOR VOLUNTARY ELECTION TO BECOME AN EMPLOYER UNDER THE ALABAMA
UNEMPLOYMENT COMPENSATION LAW

Commissioner of Department of Labor
649 Monroe Street
Montgomery, AL 36131

Dear Sir:

The undersigned, _____ of _____, being an employing unit under the Alabama Unemployment Compensation Law, but not being and employer subject thereto, does hereby voluntarily elect pursuant to the terms and provisions of Section 25-4-131, Code of Alabama, 1975, as amended (Alabama Unemployment Compensation Law), to become as of the _____ day of _____, 20__, an "employer" fully subject to the Law, to the same extent as any other "employer", and hereby makes application for the written approval of such election.

Dated this _____ day of _____, 20__.

Firm Name: _____

By: _____ (Title) _____

By: _____ (Title) _____

By: _____ (Title) _____

Give two (2) references, one being, preferably, a banking institution.

_____ (Name)	_____ (Address)
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_____ (Name)	_____ (Address)
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Approved by the Commissioner of Alabama Department of Labor as of _____, 20__.

Commissioner

By: _____, 20__.

ALABAMA DEPARTMENT OF LABOR
UNEMPLOYMENT COMPENSATION DIVISION
649 MONROE STREET
MONTGOMERY AL 36130
(334) 242-8830

ATTN: Tax Operations Section
RE: Request for Termination of Coverage
ACCOUNT NO. _____

Employer:

Except as otherwise provided in Section 25-4-131, an employer (except governmental entities) shall cease to be a employer subject to this chapter: As of January 1 of any calendar year if he file with the Director, prior to April 1 of such year, a written application for termination of coverage and he has not, during the preceding calendar year, met any of the conditions for remaining subject to this chapter.

In accordance with Sections 25-4-130 and 25-4-131, 1975 Code of Alabama, as amended, this is to request that the undersigned be released from a liable status under the Alabama Unemployment Compensation Law with respect to filing reports and paying contributions related thereto after January 1, 20____. My (our) record of employment for the calendar year 20____ is as follows:

1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26	
27	28	29	30	31	32	33	34	35	36	37	38	39	40	41	42	43	44	45	46	47	48	49	50	51	52	53

My (our) record of total gross quarterly wages paid for the year 20____ is as follows:

Quarter Ending March 31 \$_____ Quarter Ending September 30 \$_____

Quarter Ending June 30 \$_____ Quarter Ending December 31 \$_____

The above record reflects the number of persons employed by the undersigned (in the United States as a whole) on the heaviest day of employment in each calendar week and the gross quarterly wages paid for covered employment during the calendar year 20____.

It is understood that in the event this request meets the requirements for termination, that I (we) will be help exempt from the filing of further reports and the paying of contribution related thereto, either or both for periods of operations subsequent to January 1, 20____, and until such time as I (we) may again become subject for the filings of such reports and paying of such contributions related thereto as required by law and will be considered a new employer under any provision of Section 25-4-8.

FIRM: _____

BY: _____

TITLE: _____

DATE: _____

CHAPTER 2

TAXES, CONTRIBUTION AND WAGE REPORTS

The UC program is financed by employer taxes.

Most employers pay both state and federal UC taxes. State and local governments and certain non-profit organizations are covered by state law but are exempt from the federal law (commonly referred to as FUTA.)

State contributions are collected on the first \$8,000 the employer pays each employee during a calendar year. The FUTA limitation is \$7,000.

SUCCESSORS

If an employer acquires the trade or business organization or substantially all the assets of a covered employer, wages paid by the acquired employer during a calendar year are considered as having been paid by the acquiring employer in arriving at the \$8,000 tax limitation for the employer.

An acquiring entity may become liable for taxes even when the acquired entity was not, if their employment records during the year, added together, is sufficient to constitute a covered employer.

No taxes will be due, however, on wages paid by the preceding employing unit who was not liable.

THE FEDERAL UNEMPLOYMENT TAX

Effective January 1, 1985, the FUTA tax is 6.2% of taxable wages. An employer subject to the FUTA tax is granted a 5.4% credit against the federal tax, if the state tax for the preceding year is paid in full by January 31. The full 5.4% credit is allowed even though the state rate may be much lower and, thus, only a small part of the federal tax – 0.8% - goes to the federal government. Unless and until the state contributions are paid, the employer owes the 6.2% federal tax.

The federal portion of the tax 0.8% is paid directly to the federal government and used to pay the cost of administration of the employment security program.

Each year, the federal authorities request the UC Division to certify the timely receipt of state unemployment taxes from each employer. To make this certification, the federal employer identification account number must match the federal number in the Alabama Department of Labor's records. Be sure that your correct federal number is a part of the State's records in order to ensure proper certification of your payment of taxes.

**FUTA is an annual tax on wages, but more frequent deposits may be required.
For information on this tax, contact your nearest IRS office.**

THE STATE TAX AND EMPLOYMENT SECURITY ASSESSMENT

Newly liable employers pay taxes at the “entry rate” of 2.70%. The Law requires at least two complete years of measurable unemployment experience before an employer qualifies for “experience rating.” Unemployment experience begins for an employer when wages paid by it can first be used in determining the amount of benefits an employee can be paid.

The length of time required for an employer to become eligible for experience rating depends on when, as of January 1, its account was first chargeable with benefits throughout the preceding fiscal year (July 1 – June 30). To be chargeable with benefits throughout a fiscal year, it must be possible for the employer to have been a base period employer with respect to an initial claim for benefits filed in each of the four quarters of such fiscal year, whether or not a claim was filed. For example, an employer who becomes subject and pays wages in each of the first three quarters of a fiscal year is chargeable with benefits throughout the following fiscal year and is eligible for experience rating effective the next January 1.

It must be pointed out that just because an employer’s rate is determined under experience rating, it is not necessarily reduced. The employer’s unemployment experience may be such that the rate is maximum, or, if good enough, at increments down to the minimum. The rate can be as high as the maximum computed rate of 6.80% when the State is in Schedule D or as low as the minimum computed rate of 0.20% when the State is in schedule A plus any shared cost.

A successor employer succeeds to the unemployment experience (benefit charges and payrolls) of an acquired entity, for tax rate purposes. Any wages paid by the acquired entity that result in benefit costs on and after the effective date of the transaction are transferred to the successor’s account.

The rate at which employers are taxed varies according to the individual employer’s unemployment experience modified by statewide experience. The level of the UC Trust Fund determines the single schedule to be in effect during the calendar year. In addition to the computed rate, shared cost incurred by the system but not effectively charged to a specific employer will, when required, be added to the employer’s computed rate to determine its contribution rate.

During the first Special Session of 1988, the Legislature enacted a 0.06% Employment Security Enhancement Assessment (ESA). The computed tax rate of each employer subject to the assessment was reduced by 0.06%. This act sunset December 31, 1991; however, during the Regular Sessions of 1992 and 1995, the Legislature reenacted the 0.06% ESA. This assessment is effective calendar quarters beginning April 1, 1992, and ending March 31, 2004.

The employer's state contributions and ESA, if applicable, are paid quarterly to the Alabama Department of Labor through its UC Division. The quarterly reports and remittances are due by the end of the month following the end of each quarter (April 30, July 31, October 31, and January 31).

Quarterly tax payments are deposited into the Trust Fund and may be used solely for the payment of UC benefits. Additionally, interest is earned on the fund. The interest is deposited to the fund and may be used only to pay benefits to unemployed workers. The use of interest to pay benefits reduces shared cost.

Quarterly ESA payments are deposited into the ESA Fund in the State Treasury. The monies in the ESA Fund are used in a special claimant placement program and to supplement basic employment security services with special job search and placement assistance designed to help unemployed claimants in obtaining employment more quickly.

FUTA (Federal Form 940) – Credit for the 0.06% ESA cannot be taken.

WHAT ARE “WAGES?”

All remuneration paid to employees for services performed must be reported and taxed for UC purposes. This includes cash, salaries, commissions, bonuses, tips, etc. Some payments in a medium other than case are included as wages. The value of room and board furnished for the convenience of and at the option of the employee must be reported as wages and taxes paid thereon. The value of such remuneration as defined by the Department's Administrative Rules cannot be less than:

(a) Full weekly room and board \$63.00.

(b)	<u>Meals</u>		<u>Lodging</u>	
	Per week	\$42.00	Per week	\$21.00
	Per meal	\$2.00	Per day	\$3.00

The value of room and board furnished for the convenience of the employer and as a requirement for employment is not wages and is not taxable for unemployment compensation purposes.

REMINDER: For agricultural or domestic workers, cash payments are considered wages.

Back pay to an employee who was separated or suspended from a job and later put back to work with retroactive pay is wages. Additional amounts paid to a worker previously paid less than minimum wage or for discrimination or other reasons on a retroactive basis for work actually performed is wages. Such payments must be reported and tax paid thereon in the quarter in which the payments are made.

Amounts paid to temporary or part-time employees are wages and must be reported.

CAFETERIA PLANS

Cafeteria plans are not exempt under the Alabama UC Law. If an employee has a “choice” of benefits or cash, the plan is taxable. No payments of any kind by an employee are exempt from the definition of wages. Employer payments made for employees are exempt under certain conditions such as:

- Retirement
- Sickness or accident disability
- Medical or hospitalization expenses
- Death
- Payments from or to a trust which meets the requirements of section 401(K) of the Federal Internal Revenue Code
- Annuity plans which meet Section 401 (a)(3), (4), (5) and (6) of the Federal Internal Revenue Code

RECORDS REQUIRED

True and accurate employment and personnel records must be kept by all Alabama employers whether or not they are liable under the UC Law. Since an employer’s liability cannot be determined without such records, they must be open for inspection by authorized representatives of the department at any reasonable time. The UC Law provides for penalties to ensure compliance. Records must show, for each worker, the following:

- Name
- ***Social security number***
- Dates of payment
- Gross cash wages
- Any remuneration other than cash
- Dates hired, separated and rehired
- Dates and number of hours worked

***An employee must have a valid Social Security number issued by the Social Security Administration. The Alabama Department of Labor website will not accept an invalid Social Security number. Employers should ensure an employee’s Social Security number is valid by using “E-Verify” found on the Social Security Administration website, www.ssa.gov. If an employer has an employee with an invalid number, it will be necessary to file the quarterly wage report omitting that employee and his wages. Once**

the report has been submitted, a form UC-10C must be completed online to add the employee's wages to the report. *

CONTRIBUTION AND WAGE REPORTING

Prompt filing of reports and paying contributions when due will prevent the assessment of costly interest and penalties and ensure the best possible experience rating.

All employers are required by Alabama Unemployment Compensation (UC) Law, as amended in June 2009, to file and pay unemployment compensation taxes electronically via our website www.labor.alabama.gov. The employer must first set up an eGov (electronic filing) account. Instructions are below. Employers, generally, have two methods of filing electronically: Hand keying employee information or uploading a file from their computer with the required information. Instructions for both the hand keying and the upload methods are given below. ****Note:** Upload files must be in a specific format as noted on our website—click the “See Upload and Bulk File Formats Here!” under the “Wage and Tax Reporting” category on the eGov login screen. For large employers (in excess of 100 employees) bulk filing is also available. Information regarding bulk filing is found with the Upload format information.

Setting Up an eGov Account:

You must first set up an eGov account to be able to file unemployment compensation reports and pay taxes online. To establish this account, go to www.labor.alabama.gov. The “Business” option should be selected. Select the “New eGov Account” option. Create your own UserID and password, then complete the information requested about the business. The federal tax identification number and ten digit UC account number issued by our Department must also be entered. If you don't yet have an account number, leave the box blank and fill in after you receive it. Once the information is submitted, you will return to the login screen.

Filing/Paying Quarterly UC Taxes Online:

Alabama Unemployment Compensation Law, as amended, requires reports be filed online and taxes paid electronically. To do so, visit www.labor.alabama.gov. Select “Business” then enter login credentials. The user will select the “Quarterly Reporting/EFT” option. The method of filing must then be selected – Hand-key, Upload, or Multiple Employer Representative Set-Up. The UC account number and Federal ID number are then requested. Once input, a “Reporting Options” screen appears and “File a Wage Report” must be selected. On the “Reporting Options” screen, the Year/Quarter should be selected (the current quarter will be the only option if filings are up to date), as well as “Employee Wages” (if employees were paid wages in the respective quarter) or “Zero Wages” if business was active but no wages were paid. The next screen, “Employee Listing” allows the employees' names, social security numbers and wage amounts to be entered. Once all are entered, click “Update Wage Data” and “Finished Adding Wages/Continue.” The number of employees per month then must be entered. On the Wage Summary and Certification screen, the certification question must be checked “Yes” or “No” and the Preparer's information must be input. A confirmation number will be issued and a copy of

the report may be printed. If a payment is due, the user can select “Make Payment” and continue to the electronic funds transfer screens where banking information will be entered. Once a date is selected for the payment, a second confirmation number beginning with a “3” will be issued.

Helpful Hints when filing your reports:

Leave off the dash in your FEIN

Leave off the dash in the SSNs

Leave off the \$ sign and commas, but include the decimal point in your wage amounts

Once you have entered your **NEW** employees or filled up the page, click on the “**Save**” button to update your entries.

Steps Necessary To File Online – Upload Method

Go to www.labor.alabama.gov, click on eGov and login using the login and password you created. You will need to select “Quarterly Reporting/EFT,” then “Wage and Tax Reporting (Upload).” Enter your UC account number and federal identification number and submit. At the “Reporting Options” page, click on “File a Wage Report.” The next page will require you to click on “Browse” and locate the file on your computer. You will need to ‘upload’ your file. A screen will appear that says “Continue,” then “Upload Completed, Continuing to Balance...” and finally “Balance Completed.” At this point you should get a confirmation number. When you get the confirmation number, you can print the report or write down the confirmation number for your records. The filing of the report is complete when you get the confirmation number. You will still need to submit payment via EFT. Simply click on the “Make Payment” button. On the Electronic Funds Transfer screen click on “Submit Quarterly EFT.” Review bank account information when it appears on the next screen then click “Continue.” A calendar will appear. You must click on a date to schedule the withdrawal of the payment from your bank account. You will then receive a “Congratulations!” and your confirmation number which starts with a “3.” You are finished and can log out.

Steps To Pay At A Later Date

If you desire to pay your unemployment tax sometime after you have filed your quarterly wage report, you may go to our website, www.labor.alabama.gov, click on eGov and login. Click on “Quarterly Reporting/EFT” then “Electronic Funds Transfer.” Input your UC account number and federal identification number. If you have not entered your banking information, or if the information has changed, at “Bank Account 1,” click on “Enter or Update,” input the information, and click on “Save.” Click next on “Submit Quarterly EFT.” If the information is correct, click “Continue.” When the calendar appears, double-click on the date you want the money withdrawn from your bank account. Click “Submit Payment.” You will get a “Congratulations!” and a confirmation number beginning with a “3.”

Correcting Information Reported on Quarterly Returns

Once the quarterly returns have been completed and processed to the Department of Labor mainframe computer, the only way to change the reported information is by completing a Form UC-10C online.

To file form UC-10C, go to www.labor.alabama.gov, click on eGov and log in. From the “Approved for Applications” screen select “UC-10C.” You must enter your UC account number and federal identification number. Read the instructions first, then mark the box confirming you have read and understand the instructions. Click “I am ready to file my UC-10C.” Select the year you want to correct from the drop-down box and select the type of correction needed. If you have an employee with an invalid Social Security number, you can only change the totals on your report—there can be no individual wage record for an invalid Social Security number. Otherwise click on the “Change Individual Wages” button and key in the employee’s Social Security number. Click “Add SSN.” Input the “Correct Total Wages” and “Correct Taxable Wages.” If more than one employee’s wages need correcting, click on “Save” after you enter the first employee’s wage information and input the next employee’s SSN you wish to correct. Continue this process until all employee wages are corrected—do not submit the form until all corrections for the entire year have been done. If you inadvertently submit the form after inputting only one quarter’s updated information, you must wait until the next day to enter the remaining data. If you need to correct a Social Security number that was previously reported incorrectly (as long as it is a valid Social Security number, simply key in the incorrect Social Security and click “Add SSN.” You will key zeros for total and taxable wages. Click “Save” and input the correct Social Security number; click “Add” and input the correct total and taxable wage amounts. Once all data has been input, submit the UC-10C. If there is a payment due, you will be taken to the “Tax Summary” screen where you can make an EFT payment if you desire.

Interest Charges

If taxes are not paid by the due date, the employer will be charged interest at the rate of 1.0% per month (1/30 of one percent per day) from the due date.

Penalties

A penalty of 10% of the tax, or \$25, whichever is greater, shall be assessed for failure, without good cause, to file reports when due.

A 10% penalty may be assessed for failure to pay taxes when due. If the failure is due to fraud, an additional penalty of 15% shall be assessed.

A penalty of 10% of the tax may be assessed on all invalid remittances.

If any waiver of interest or penalty is to be requested, a written statement justifying the reason the report/payment was late should be forwarded to UC Tax, 649 Monroe Street, Montgomery, AL 36131. Every consideration will be given; however, waivers should be in the best interest of the UC program.

Assessments and Collections

Assessments may be made against any employer who fails to file a contribution and wage report timely. The assessment would be based upon the department's best knowledge of the amount of taxable wages paid. The employer would be notified of the assessment by certified mail. Upon receipt of the assessment notice, the employer may request a hearing before an appeals officer if the employer so desires.

Collection action, including garnishment, may be taken if taxes due are not paid upon notice that the tax is delinquent.

Audits of Employer Records

The department's field deputies perform the field audit function. If an employer should be contacted by one of our field deputies for the purpose of auditing some, or all, of the employer's records, the employer is required by law to make the records available upon request and presentation of identifying credentials.

FORMS

Alabama Department of Labor
Unemployment Compensation Division
Status Unit Room 4201
Montgomery, Alabama 36131
Phone: 334-954-4730 Fax: 334-954-4731

Report of Employer Account Changes

Employer Account Number _____ Federal ID Number _____

Business Name _____

New Mailing Address:

New Physical Location:

Telephone #:

Corporate Name Change:

*Articles of Amendment must be attached.

(____) _____ - _____

Close/Inactivate SUI Account

Please close account effective: ____/____/____ for the reason listed below:

- 1) ____ Ceased employment.
- 2) ____ Discontinued business.
- 3) ____ *Leasing employees.
- 4) ____ *Entire business sold.
- 5) ____ *Portion of business sold. Number of employees transferred: _____.
- 6) ____ *Merger.

*If yes to 3, 4, 5 or 6 please provide the new owner/company's name, address and phone# below:

If there has been a change in Federal ID number it will be necessary to register as a successor. You may register at www.Labor.Alabama.Gov . If there was no change to the FEIN but there has been a change in partners or type of entity download the paper Form SR-2 for a new account number.

Signature _____ Title: _____ Date: ____/____/____

This form must be signed and dated by an authorized person, including their title or the changes will not be processed. If signed by an independent accountant we must have a current Power of Attorney on file. This form may be emailed to Status@Labor.Alabama.Gov .

CHAPTER 3

UC CLAIMS BY FORMER EMPLOYEES

Unemployed workers who are covered under the law receive weekly benefits if they are eligible in all respects for such benefits. Benefits are paid from the UC Trust Fund, which is derived from “contributions” (payroll tax).

CLAIMS FOR BENEFITS

Claims for UC benefits are filed by unemployed individuals by telephone through call centers, or at the Alabama Department of Labor website, www.labor.alabama.gov. Separation information is obtained by call center personnel and decisions on the separation issues are made by claims adjudication personnel in the Call Center of the UC Division.

BENEFIT ELIGIBILITY

In order to qualify for benefits, a claimant must have been paid wages in employment subject to the law during the base period. In Alabama, the base period is the first four of the last five completed calendar quarters immediately preceding the date of a claim. For example, a claim filed with an effective date in the first calendar quarter of 2020 would have as the base period the time between October 1, 2018 and September 30, 2019.

The weekly benefit amount is based upon the average of the two highest quarters of wages in the base period. The minimum weekly benefit amount is \$45, and the maximum weekly benefit amount is \$275. The maximum benefit entitlement is fourteen times his or her weekly benefit amount, if the state’s average unemployment rate is at or below 6.5 percent, with an additional weekly benefit amount added for each 0.5 percent increase in the state’s average unemployment rate above 6.5 percent, up to a maximum of 20 times his or her weekly benefit amount if the state’s average unemployment rate equals or exceeds 9.5 percent, or one-quarter of the total base period wages, whichever is the lesser.

A claimant who is enrolled and making satisfactory progress in a job training or certification program approved by the Alabama Department of Labor may qualify for an additional five (5) weeks of benefits after all regular benefits have exhausted.

When a monetarily eligible claim is filed, a claimant establishes a benefit year. This is the period of time ending one year from the effective date of the claim. If the claimant receives the maximum benefit amount before the end of the benefit year, the claimant cannot be paid any more regular benefits until the year is ended and requalification conditions are met. Also, if the claimant received less than the maximum benefit amount during the benefit year, no additional benefits are payable on the claim after the benefit year ends. (Exception: During periods of high unemployment, additional benefits may be paid under the extended benefit provisions of the law or other emergency legislation.)

SEPARATION INFORMATION REQUEST – FORM BEN-241

When a claim for benefits is filed, the UC Division sends a Form **BEN-241**, Notice of Claim and Request for Separation Information, to the last employer of the claimant. One of the most important facts in administering the Alabama Law is the cooperation of the employer in promptly (within six working days of the mailing date) returning accurate separation information; i.e., the date the claimant last worked and the reason the claimant became unemployed. Answering this notice timely is the key to presenting your factual information for the determination process. Responses may be forwarded by facsimile (fax) to the number printed below the claims office address on the Form **BEN-241**, or respond online at www.uisides.org. Select "Separation Information". Select Alabama from the drop down menu. You will need your Federal Employer Identification Number (FEIN), State Employer Identification Number (UC Account Number), and your Access Code as provided on the printed 241 Notice, or your email notification.

As mentioned above, ADOL now offers an email notification whenever a BEN-241 is mailed. With the email notices, employers still receive a paper copy of the request by mail. However, there is no longer a need to wait for the paper copy to arrive in the mail before viewing the request and submitting a response online. To begin receiving these email notifications, please send an email to Ben241@labor.alabama.gov including the name, address, and telephone number of your organization, your FEIN, and the email address where the notices should be sent.

EMPLOYER NOTICE OF DETERMINATION – FORM BEN-8

Once the determination is made on a worker's claim, the separating employer is mailed a notice advising what action has been taken, the weekly benefit rate and the maximum benefits available. If there is a period of disqualification, that will also appear on the Form **BEN-8**.

The back of the Form **BEN-8** provides an explanation of the most frequent disqualifications and their impact on benefit charges to your experience rating account. In addition to meeting the requirements of the law as it pertains to the separation from employment, the claimant must meet weekly qualifications concerning ability to work and availability for work.

APPEALS

The law gives the right of appeal to a claimant and to the last employer if either is dissatisfied with the decision made by the UC Division. An employer or claimant may file an appeal within 15 days from the date on which a notice of determination on the claim is mailed. This means the appeal must be received by the department or one of its offices within 15 days. If an appeal is not received within the time limit, the initial determination becomes final.

Appeals are first heard by an Administrative Hearing Officer. The decision of a hearing officer may be appealed to the Board of Appeals and the decision of the board may be appealed to the circuit court.

NOTE: A Federal Court order requires any employer filing an appeal relating to a discharge for alleged misconduct to provide a reasonably detailed statement of the factual allegations upon which the appeal is based. The claimant must be given a copy of the detailed allegations at least 10 days prior to a hearing.

FRAUDULENT CLAIMS

Only a small number of claimants intentionally falsify their statements in an effort to receive UC benefits. The UC Division is most vigilant in safeguarding the Trust Fund against fraudulent claims. Fraud is detected by matching wage reports submitted by employers against benefit payments for the quarters involved. **Unemployment Fraud may be reported through our fraud hotline, 1-800-392-8019, or our website, www.labor.alabama.gov.**

An individual who is guilty of making fraudulent statements is subject to having an overpayment, as well as an administrative penalty assessed against the claim. This reduces or totally cancels UC benefits to which the individual might otherwise be entitled. Flagrant cases of fraud are also prosecuted in the courts, and convicted individuals are subject to criminal penalty involving fines and imprisonment.

Alabama Law voids any agreement by an employee to waive or release rights to benefits or any other rights under Chapter 25. Alabama Law also provides that any employer who makes a false statement to reduce the amount of any UC taxes due or who induces an employee to waive any rights to benefits is in violation of the law. Appropriate fines and/or imprisonment for such violations are also provided in the law.

NOTICE OF POTENTIAL CHARGE – FORM BEN-8A

When an individual is paid benefits which cause charges to be made to a base-period employer's experience rating account, such base-period employer is mailed a Notice of Potential Charge. This does not apply to a separating employer, who has been notified of the determination earlier. If the employer has information showing that the claimant was separated for a reason covered by any of the provisions of Law providing relief of charges, such information must be provided to the department within 15 days following the mailing date of the Notice of Potential Charge. A decision as to the removal of charges will be made administratively. The employer may request an administrative review of that decision. The back of the Form **BEN-8A** provides an explanation of the most frequent disqualifications and their impact on benefit charges to your experience rating account.

FORMS

Effective July 2020, all Alabama employers are required to provide notification of the availability of Unemployment Compensation (UC) to employees individually at the time of separation. Specifically, you must provide notice of the potential availability of unemployment benefits individually to each employee who separates from your employment, for any reason. Pursuant to U.S. DOL UIPL 13-20, Change 1, employers may provide this notice in the form of a letter, email, text message, or flyer given or sent to each individual undergoing separation.

A sample notice that ADOL provided to employers when the requirement first became effective is included in this handbook. Employers are not required to use this exact notice, but it does contain all essential required elements. For more information about the requirement, please see administrative rule 480-4-2-.19 at <http://www.alabamaadministrativecode.state.al.us/docs/lab/480-4-2.pdf>.

Providing this information to separating employees does not in any way guarantee the receipt of Unemployment Benefits but satisfies the employers' obligation to provide notice of the potential availability of those benefits.

Notice of Availability of Unemployment Compensation

Unemployment Insurance (UI) benefits are available to workers who are unemployed and who meet the requirements of state UI eligibility laws. You may file a UI claim in the first week that employment stops or work hours are reduced.

For general information about filing a claim, call 800-361-4524 or visit www.labor.alabama.gov.

You will need to provide the Alabama Department of Labor with the following information in order for the state to process your claim:

1. Your full legal name;
2. Your Social Security Number;
3. Your authorization to work (if you are not a US Citizen or resident).

You should also have the following information available when you file your claim:

1. A list of names, complete addresses, telephone numbers, and the beginning and end dates of employment for your last 2 employers;
2. Information and related documents for any federal civilian employment, military service, or work performed in another state in the past 18 months;
3. Your bank routing number and checking or savings account number, if you choose to have your unemployment payment deposited directly into your bank account.

To file a UI claim by phone, dial 866-2-FILE-UC (866-234-5382).

If you do not have access to a telephone, you may use a designated telephone at a local Alabama Career Center.

You will be asked a series of questions that will require you to answer by pressing numbers on your telephone keypad. You may then be transferred to a claims specialist and/or given additional information to complete your claim.

To file a UI claim online, visit www.labor.alabama.gov.

Click on "Unemployment," then "File Claim," then "Establish a New or Reopen a UC Claim" and follow the prompts.

If you have questions about the status of your UI claim, you can call the Alabama Department of Labor Call Center Inquiry Line at 800-361-4524.



ALABAMA DEPARTMENT OF LABOR
UNEMPLOYMENT COMPENSATION DIVISION

STATE OF ALABAMA

KAY IVEY • GOVERNOR
FITZGERALD WASHINGTON • SECRETARY

Notice of Claim and Request for Separation Information

To Return: (Choose one method only)

1. **Online:** <https://uisides.org/>
2. **Fax:** 334 956-7497
3. **Mail:** Adj Support, Room 3421
649 Monroe Street
Montgomery, AL 36131

Separation Details: Due by 02/21/2020			
1. Claimant Name:		6. Issue ID:	
2. Client ID:		7. Effective Date:	
3. SSN:		8. Office Number:	
4. Benefit Year Begin:		9. Type of Claim:	
5. EAN:		10. Access Code:	

The individual named above filed an unemployment claim on _____, identified you as the last employer and indicated last worked on _____. Separation reported as: Lack of Work.

IMPORTANT NOTE: If your response is not received by _____, a determination may be made based solely on information furnished by the claimant.

Employer Response (Instructions for Completion & Electronic Submission on Reverse)

If the claimant was not employed by you indicate below in #14

11. **Claimant's:** First Date Worked: ____/____/____ Last Date Worked: ____/____/____ Pay Rate: _____ per _____

12. **If claimant worked after 02/02/2020 enter:**

- a. Gross Wages: \$ _____
- b. Holiday Pay: \$ _____ Date of Holiday: ____/____/____
- c. Vacation Pay: \$ _____ Normal 40 hour, M – F, work week? (____) Yes (____) No
- d. Sick Pay: \$ _____
- e. Pension: \$ _____ per month. Effective Date: ____/____/____
- f. Has the claimant been permanently separated? (____) Yes (____) No

13. **Separation Reason (choose one):**

(a) (____) Lack of work

Do you expect to recall claimant? (____) Yes (____) No If "YES", expected recall date: ____/____/____

(b) (____) Voluntary Quit. Reason for voluntary quit given by claimant: _____

(c) (____) Discharge

Discharge due to _____ Date of final incident: _____

WARNING FOR SAME OR SIMILAR INCIDENT: (____) Yes (____) No (if "yes, complete the following):

Date warning issued: ____/____/____ Who issued warning? _____

Type of warning: (____) Verbal (____) Written. Reason for warning? _____

(d) (____) Other. Provide specific reason: (____) Leave of Absence (____) Suspension (____) _____

14. **Additional information regarding separation. ATTACH PAGE(S) IF NEEDED.**

15. _____
Print Name Title Telephone No. Date FEIN

16. **Email Address:** _____

Mailed Date: _____

Page 1 of 2

IMPORTANT INFORMATION

INSTRUCTIONS: This individual has filed a claim for unemployment compensation. Please fill in the information requested in items 11 and 12. If item 9 is 'New Claim' and the claimant separated from you more than once since the date shown for item 5, give date and reason for each separation. If the claimant received separation pay or vacation pay upon termination or a pension for any period subsequent to the date in item 4, please give type, amount and period covered in item 12. In addition, state if separation pay was paid as a courtesy/gift or an obligation because of company policy, labor agreement or contract, and whether such policy, contract or agreement requires that payment be made with respect to a specific time following termination, and if provisions are included to provide for reduction of severance payments based on some act by the claimant after separation. If there are other known conditions affecting right to benefits, please explain in item 13.

After completing the form return one copy only to the address indicated on the front of this form and retain one copy for your records.

Information given on this form, if timely filed, will be given full consideration in deciding this claim. In addition to supplying this written information, you or your representative may arrange to be heard in person prior to the determination by contacting the office indicated on the front of this form by the Due Date shown in the Separation Details.

EMPLOYER RESPONSIBILITY: In responding to a request for separation information concerning a former employee you should not use general terms such as insubordination, violation of company policy, absenteeism, or simply quit. If known, state the reason the claimant quit. If the claimant was discharged, provide specific details concerning the final incident that resulted in the separation. For example, if the discharge was due to absenteeism, state when he/she was last absent, why he was absent, and if he properly reported the absence. Explain rules or policies violated or how the claimant was insubordinate. List dates and reasons for prior warnings.

You should furnish us with the reason(s) for separation promptly on this form and, if necessary, a separate sheet of paper. Prompt submittal of the facts is necessary for a good determination and could also protect your experience rating account. The facts you furnish will be used in the determination of eligibility and you will receive a notice of the administrative decision.

Employer who have elected reimbursement in lieu of contributions must, under provisions of the Law, reimburse the agency for all payments made based on wages they paid to the claimant.

Privileged information (Alabama Code 25-4-116): All letters, reports, communications, and other matters, written or oral, from employer or employee to each other or to the secretary or any of his agents, representatives, or employees, or to any official or board functioning under this chapter, which shall have been written, sent, delivered, or made in connection with the requirements and administration of this chapter, shall be absolutely privileged and shall not be made the subject matter or basis for any civil action for slander or libel in any court.

To save time and money include the social security account numbers on all letters, correspondence, and payroll records you send to this agency. We appreciate your cooperation.

WARNING: It is unlawful under Section 25-4-145 of the law to willfully make a false statement or fail to disclose any information in connection with an unemployment insurance claim.



ALABAMA DEPARTMENT OF LABOR
UNEMPLOYMENT COMPENSATION DIVISION

STATE OF ALABAMA

KAY IVEY • GOVERNOR
FITZGERALD WASHINGTON • SECRETARY

Employer Notice of Determination

Mailed Date:

The claimant has been determined eligible for benefits as determined below.

Determination Details			
Claimant Name:		Issue ID:	
Claimant ID:		Effective Date:	
SSN:		Type of Claim:	
Benefit Year Begin:		Local Office:	
Weekly Benefit Amount:		EAN:	
Maximum Benefit Amount:		Contact Line:	
Base Period:		Status:	

IMPORTANT INFORMATION

RIGHT TO APPEAL: This determination becomes final within 15 days from date mailed unless appealed. All appeals **MUST** be filed by a letter addressed to the Hearings and Appeals Division, 649 Monroe Street, Montgomery, AL 36131, or by Fax to 334-956-5891. The appeal must be received within the prescribed time whether filed by mail or fax. Should the last calendar day for filing an appeal fall on a Saturday, Sunday, state holiday, or other office closing, the period is extended to the next business day.

STATE OF ALABAMA
DEPARTMENT OF LABOR
UNEMPLOYMENT COMPENSATION DIVISION

NOTICE OF POTENTIAL CHARGE TO YOUR TAX RATING ACCOUNT

ACCOUNT NO:

IMPORTANT: Charge liability is final unless reply is returned by _____

1. CLAIMANT NAME	2. SSN	3. OFF-CO-YN	4. CLAIM DATE	5. DATE OF CHARGE
6. DATE BEN 8A MAILED	7. BASE PERIOD WAGES EARNED WITH YOUR ACCOUNT FROM: _____ QTR _____ : \$ _____ _____ QTR _____ : \$ _____ _____ QTR _____ : \$ _____ _____ QTR _____ : \$ _____ TOTAL: \$ _____		8. TO RESPOND: (CHOOSE ONLY ONE METHOD) 1. Fax: (334) 956-7496 2. Mail: Experience Rating Section 649 Monroe Street, Room 4215 Montgomery, AL 36131	

This claim is approved based on the reason for separation from the claimant's most recent employer. You employed the claimant during the base wage period (Item 7) and benefit charges are applied to your tax rating account. All or part of the benefit charges may be removed. Complete Items 9 through 13 and return using one of the methods in Item 8. Your timely information will be considered for the benefit charge removal. Excerpts from sections of Alabama Unemployment Compensation Law that provide benefit charge removal are online at <http://labor.alabama.gov/uc/employer.aspx> or you may telephone (334) 242-8888.

NOTE: If the claimant worked for a previous owner of your business and you acquired their tax rating account, you also acquired liability for benefit charges.

**PLEASE DARKEN THE APPROPRIATE BOX BELOW AND
COMPLETE THIS SECTION AND RETURN THE ENTIRE FORM**

9. The claimant (a) ☐ voluntarily quit. (b) ☐ was discharged. (c) ☐ was separated for lack of work* (d) ☐ other
(e) ☐ works part-time, on-call, as needed. (f) ☐ continues to work part-time, no change in schedule.

*** If the separation reason is "lack of work", it is not necessary to return this form.**

10. Specific details related to the separation are: (Attach additional page(s) if needed.)

11. Claimant's last date worked with your business _____ (MMDDYY).

12. If the claimant received payments after the claim date (Item 4) enter the amount. \$ _____

13. I certify the above information is true and correct to the best of my knowledge.

Sign and print name of preparer

Title

Telephone No.

Date

INSTRUCTIONS FOR COMPLETING FORM BEN-8A

You are a former employer during the base period of the claim and benefit charges have been made to your tax rating account. To consider such benefit charge removal:

- (1) **GIVE DETAILED INFORMATION:** If the claimant quit your employ, state the reason for quitting. If the reason is not known, describe the circumstances which led you to conclude the claimant quit. If discharged, provide details and date of final incident resulting in the discharge. If the claimant was previously warned about such act, so advise. If the claimant is not separated but continues to work part-time on a regular basis, explain the agreement of hire and the wages/schedule after the claim date in Item 4. If the claimant has been separated on more than one occasion during the period indicated in Item 7, provide the date, reason, and wages earned by the claimant for each separation.
- (2) **SIGN THE FORM:** Failure of the employer, or employer's authorized representative, to sign the form will result in denial of your request for benefit charge removal.
- (3) **RETURN THIS FORM WITHIN 15 CALENDAR DAYS FROM THE DATE IN ITEM 6:** Timeliness of return is determined by the postmark date, if mailed or fax receipt date, if faxed. If you respond by FAX, do not send a copy by mail.

It is unlawful under Section 25-4-145 of the Alabama Unemployment Compensation Law to willfully make a false statement or fail to disclose any information in connection with an unemployment insurance claim.

EXCERPTS FROM SECTIONS OF ALABAMA UNEMPLOYMENT COMPENSATION LAW THAT PROVIDE CHARGE REMOVAL

(The UC Law may be downloaded at <http://alisd.b.legislature.state.al.us/acas/CodeOfAlabama/1975/123035.htm>)

- 25-4-78(2) -- Voluntarily quit without good cause connected with the work. Employer relieved of all (100%) benefit charges based on the period of employment ending with such separation.
- 25-4-78(3)a -- Discharged for dishonest or criminal act, sabotage, act endangering safety of others. Must be in connection with work. Effective with separations after July 3, 1994, use of illegal drugs, refusal to take a drug test, or altering a drug test if:
- (1) The employer has a reasonable drug policy;
 - (2) The drug test meets Department of Transportation or other reliable standards;
 - (3) The employee has been advised of the drug policy in writing.
- Employer relieved of all (100%) benefit charges based on the period of employment ending with such separation.
- 25-4-78(3)b -- Discharged for actual or threatened deliberate misconduct in connection with work after previous warning. Employer relieved of all (100%) benefit charges based on the period of employment ending with such separation.
- 25-4-78(3)c -- Discharged for misconduct connected with work other than acts mentioned above. Employer relieved of one-half (50%) benefit charges.
- 25-4-54(b)(2) -- Continues to work part-time with similar wages and hours as those in the base period. Employer relieved of all (100%) benefit charges based on the period of employment ending with such separation.

MAIL TO : STATE OF ALABAMA
Department of Labor
Experience Rating Section
649 Monroe Street
Montgomery, AL 36131

OR FAX TO : (334) 956-7496

CHAPTER 4

EXPERIENCE RATING

ANNUAL TAX RATE NOTICE, FORM UC-216C: (Sample on next page)

ENTRY TAX RATE FOR A NEW EMPLOYER:

Effective January 1, 1976, the unemployment compensation law established the entry rate (Item 6) of 2.70% for all employers who are not eligible for rating under the Experience Rating Method. Such eligibility requires from eight to eleven calendar quarters depending upon when an employer becomes liable under the Alabama Unemployment Compensation Law. Tax Rate Notices will be available for download annually when the employer becomes rated based on their experience.

TAX RATE FOR AN EXPERIENCE-RATED EMPLOYER:

For each employer eligible for rating, the tax rate is computed annually using the Experience Rating Method. The tax rate is computed using the three most recent complete fiscal years of benefit charges (Item 9) and taxable payrolls (Item 10). A fiscal year (Item 8) begins July 1st and ends the following June 30th.

STATE OF ALABAMA
DEPARTMENT OF LABOR
UNEMPLOYMENT COMPENSATION DIVISION
MONTGOMERY, ALABAMA 36131
PHONE: (334) 242-8888 TDD: 1-800-548-2546

TAX RATE NOTICE

EFFECTIVE DATE: 1/1/2014

1. Date Notified (Mon/Day/Year)
12/5/2013

IMPORTANT: Your tax rate is final unless written request for review is submitted within 30 days from the date notified in Item 1. Send review request to the attention of the Experience Rating Section, Room 4215 at the above address or fax to: (334) 956 - 7496.

Please refer to your account number in correspondence with this Agency.

2. ACCT NUMBER	3. SCHED	4. SHARED COST	+	5. COMPUTED RATE	=	6. TAX RATE	7. ESA
	D	0.30 %		1.34 %		1.64 %	0.06 %

REMINDER: Use the rate (Item 6) and ESA (Item 7) to compute your quarterly payment for the first quarter ending March 31 and following three quarters in the upcoming tax rate year.

8. FISCAL YEAR	9. BENEFIT CHARGES	10. TAXABLE PAYROLL	11. BENEFIT RATIO
2013	(\$104.00)	\$98,960.25	
2012	\$916.00	\$102,416.73	
2011	\$2,794.00	\$108,813.50	
12. \$3,606.00 ÷		13. \$310,190.48 =	1.16 %

HOW YOUR TAX RATE IS COMPUTED

The tax rate notice will be posted annually and available for download to employers who are eligible for rating. Your tax rate is computed using the three most recent complete fiscal years of benefit charges (Item 9) and taxable payrolls (Item 10). A fiscal year (Item 8) begins July 1st and ends the following June 30th.

Benefit charges (Item 9) are costs for actual benefits paid to former employee(s). Taxable payrolls (Item 10) include taxable wages upon which taxes have been paid by the preceding July 31st. Your benefit ratio (Item 11) is determined by dividing total benefit charges (Item 12) by total taxable payroll (Item 13). With knowledge of your benefit ratio (Item 11) and the statewide schedule (Item 3), you can verify your computed rate (Item 5) by using the excerpt of the Tax Rate Table provided online at www.labor.alabama.gov/uc/employer/aspx.

The statewide schedule (Item 3) and shared cost (Item 4) are determined in accordance with a 1989 amendment to the Alabama Unemployment Compensation Law. The amendment contains four rate schedules: A, B, C, and D. The applicable schedule is determined yearly by a formula that looks at the relationship of the Unemployment Compensation Trust Fund's balance to the desired level of the Fund. Shared cost is determined yearly and is defined as cost that cannot be assigned to a specific employer. Shared cost is added to the computed rate (Item 5) to determine the tax rate (Item 6). Employment Security Assessment (ESA - Item 7) monies are deposited to the Employment Security Enhancement Fund in the State Treasury and used to assist unemployed claimants in obtaining employment.

PAYMENT OF TAX AND ESA

The tax rate (Item 6) is displayed on line four of the printable Quarterly Contribution and Wage Report (Form UC-CR4); ESA (Item 7) is displayed on line six. The tax rate and ESA are also displayed in the Internet Tax and Wage Reporting System. Tax and ESA must be paid on the first \$8,000 you pay each employee in the calendar year. Reports and payments are due the last day of the month following the end of each quarter. You may compute, file and pay your tax online at www.labor.alabama.gov/eGov/login.aspx.

EXPERIENCE RATING:

Experience rating is a method by which the tax collected is related to the benefit costs. This is similar to the way a commercial insurance company determines premium rates. Past experience serves as a key factor in the rate determination.

In effect, the experience rating plan provides lower rates for employers whose unemployment experience costs the Trust Fund less, and higher rates for those whose experience results in a greater cost factor. By relating tax rates to benefit costs, the primary objectives of experience rating are reached.

Through the “tax-rate – benefit cost” relationship, employers:

- ✓ Pay taxes at rates related to past lay-offs, thereby rewarding those employers with low unemployment in ratio to their total number of workers.
- ✓ Assist the department in its efforts to stabilize employment, a responsibility set by law upon the department.
- ✓ Provide information needed to prevent benefit payments to unqualified persons.

How this very complex system affects employers is described below. More detailed information can be obtained on request.

DEFINITIONS

In order to understand the system, the terms used in connection with experience rating must be defined. Some of the more important and widely used terms include:

- **Benefit Charges** – The cost of benefits paid to an individual is known as benefit charges. Benefit charges are allocated to the employer’s experience rating account in accordance with the percentage which base-period wages (claimant’s past work history) reported for the individual by the employer relate to the individual’s total base-period wages paid by all employers. The employer’s account may receive charges during each quarter in which benefits are paid.
- **Benefit Year** – The one (1) year period from the effective date of a new valid claim filed by an eligible unemployed person is the benefit year. The effective date is normally the first day (Sunday) of the calendar week in which the claim is filed. If the benefit year begins on November 24, it ends on November 23 of the following year.

In addition to the above definitions, there are others which are included in the experience rating formula. This formula contains the following five elements:

(1) Total Benefit Charges – The total of benefit charges are those charges to the employer’s account during not less than the fiscal year and not more than the three fiscal years preceding the January 1 for which the rate is being computed. (In some cases, an

employer does not have three fiscal years of measurable unemployment experience because it has not been in business long enough).

A “fiscal year” is the 12 consecutive month period ending on June 30.

(2) Total Taxable Payroll – The total taxable payroll is the total taxable portion of the employer’s payroll (upon which taxes are paid by the preceding July 31) for the same period of time that is used in the definition of benefit charges. Experience rating accounts are credited with only taxable wages on which taxes are paid. Taxable wages, as used in this computation, are the first \$8,000 paid to an employee by an employer during a calendar year.

(3) Employer’s Benefit Ratio – The percentage used in the computation of an employer’s tax rate, is the ratio of benefit charges to the taxable payroll credited to the employer’s experience rating account during the one, two, or three (at least one but not more than three) fiscal year period. For example, for the tax rate year beginning January 1, 2014, an employer had 2011, 2012 and 2013 fiscal year wages credited to its account totaling \$100,000. During these same three fiscal years, \$10,000 in benefit charges had been allocated to its account. The Employer’s Benefit Ratio would be 10% (or \$10,000 divided by \$100,000).

(4) Schedule – Used in the computation of tax rates, determined by December 1 each year. The level of the Trust Fund determines the single schedule to be in effect for the tax rate year beginning January 1. The “desired level,” calculated by the formula contained in the Law, is a projection of the funds which may be needed to pay benefits. The four schedules are:

Schedule A – Fund balance is 125% or more of the desired level.

Schedule B – Fund balance is equal to or greater than the desired level but less than 125%.

Schedule C – Fund balance is less than the desired level but at least 70% thereof.

Schedule D – Fund balance is less than 70% of the desired level.

(5) Shared Cost – Shared costs are those costs incurred by the system which cannot be effectively charged to a specific employer. Shared costs are reduced by interest earned on the Trust Fund and excess contributions of employers. When it is determined that Schedule A is to be in effect, minimum rated employers will have no shared costs. In Schedule B, minimum rated employers with an employer’s benefit ratio of zero will have no shared cost. Any applicable shared cost will be shown on the front of the Tax Rate Notice and must be added to the employer’s computed rate to determine its contribution rate.

Other useful definitions include the base period, the maximum benefit amount and the weekly benefit amount which are covered in detail in Chapter 3.

EMPLOYER CONTROL OF BENEFIT CHARGES

The definition of Benefit Charges was given briefly earlier in this chapter. Now let's look more into the mechanics of the procedure and see what effect these charges have, and what the employer can do about controlling charges to its account.

Before a charge is made to an employer's account, a former worker files a claim for benefits. When this claim is filed, a record of the wages during the base period is used to determine whether the claimant has sufficient wages to qualify for benefits. If so, the reason for the immediate unemployment must be determined. This is done by mailing a "Request for Separation Information" to the last bona fide employer. The employer has six work days from the mailing date in which to complete and return this request to the office designated on the request. Timely information will be fully considered in determining if the reason for separation allows payment of benefits.

At the time a former worker is paid benefits, all base-period employers who are *not the last separating employer for the claim*, are furnished a notice of potential charge to employer tax rating account (Form **Ben-8A**.) If the former employee voluntarily quit the job, was discharged for work related misconduct, or continues regular part-time employment with wages/hours similar to those within the base period, the employer must reply to this notice within fifteen days from the mailing date. If the separation was due to a lack of work, it is **not** necessary to return the form.

In completing the request for separation information or in replying to the notice of potential charge, the employer should give the actual detailed circumstances under which the employee was separated. The employer should furnish names, exact dates and all the details pertaining to the separation—especially if there is any possibility the separation was for a disqualifying reason. If the requested information is not provided within the time specified on the respective forms, the determination concerning benefit payments and/or charges may be made without information from the employer.

If employees are separated, rehire or call them back as soon as possible. This will terminate their benefits, thus reducing benefit charges to the employer's account. Please make sure to immediately report to our Department a rehire through the New Hire system mentioned in Chapter 7 of this handbook.

Normally, no action is necessary until the employer is requested to furnish separation information or is notified of payment of benefits to a former worker. **There is one exception.** When an employer discharges a worker for gross misconduct, the employer should immediately send written notice to the Chief of Benefit Operations, Unemployment Compensation Division, Department of Labor, 649 Monroe Street, Montgomery, Alabama 36131-4200. Be sure to give the employee's NAME, SOCIAL SECURITY NUMBER and EXACT DETAILS of the separation. Gross misconduct is a work related dishonest or criminal act, sabotage, or an act endangering the safety of others. Gross misconduct includes use of illegal drugs, refusing to take a drug test, or altering a drug test if the employer has a reasonable drug policy and the drug policy meets Department of Transportation standards. The employee must have been advised in writing of the policy.

Providing immediate notice of a gross misconduct separation can best protect the employer's tax rate record. However, if the employer has failed to provide such notice, reply should be made to the request for separation information or notice of potential charge.

After all available facts of the case have been considered, a charge decision will be made; and the employer will be notified. The notice will include an explanation of the employer's protest rights.

After the end of each quarter every employer receiving benefit costs during the quarter is mailed a Statement of Benefit Costs, **UC-212**. Listed on this statement are the name and social security number of each claimant, the date the benefit year began, and the amount of benefit costs paid during the stated quarter. Immediately upon receipt of the statement the employer should review the charges to verify their accuracy. Form UC-212 is not meant as a vehicle in which to readjudicate a claim. Its' purpose is to correct errors in the previously adjudicated claim process. If an error is found on the UC-212, the employer must request a correction or make a protest within 30 days of the mailing date of the statement.

With the record of these charges the employer can determine its benefit ratio which will govern its tax rate by dividing the total benefit costs for the three preceding fiscal years by the total taxable payroll credited for the same period of time.

HOW YOUR TAX RATE IS COMPUTED

Each employer is issued annually (not later than January 30) a Form **UC-216C**, verifying the tax rate for the upcoming calendar year. Effective with calendar year 2010, your rate notice can be downloaded through your e-Gov account. The goal of the Alabama Department of Labor is to make the tax rate notice available every year during the first week of December for all tax-rated employers who file by internet. There is no computer-generated tax rate notice for employers with a 2.70% rate. To download your tax rate notice, enter your e-Gov user ID and password on the Department's website under the "Business" section. Arrow down and click on "Tax Rate/Advanced Payment Rate Notice." Enter your UC account number and federal ID number, select the year desired. Each tax rate year is the four-quarter period beginning January 1st and ending on the following December 31st. The tax rate notice includes the computation of the employer's tax rate and lists, by fiscal year, the benefit charges and taxable payroll used in the computation of the tax rate. Only taxable payrolls upon which taxes have been paid by the preceding July 31 are credited to an employer's experience rating account and are used in the computation of an employer's subsequent January 1 tax rate.

In addition, the Tax Rate Notice notifies the employer of the Schedule, which is one of the elements of the rate formula.

The Schedule is intended to maintain the Trust Fund at a level adequate to pay benefits.

**Failure to pay taxes when due can cause an employer to receive a higher rate!
Make sure all reports are filed and all taxes paid on time!**

APPEALING YOUR TAX RATE

If, in checking the tax rate the employer finds that the taxable payroll is in error, the benefit charges differ from those contained on the statements of benefit costs, or if the calculations are incorrect, a request for review should be filed. Remember the tax rate calculation is based on fiscal years and **not** calendar years. The request for review of the tax rate must be filed within 30 days from the date notified. If the employer disagrees with the review, he/she may appeal to the circuit court of the county in which the business is located or Montgomery County, at their option, within 30 days of the final review.

Barring a departmental error on your tax rate, unless an appeal is made within the 30 day limit, the rate cannot be changed.

HOW YOU CAN PROTECT YOUR EXPERIENCE RATING

To protect your experience rating you should:

1. Keep adequate records and retain them for a minimum of five years.
2. Answer every request for separation information within six work days from the mailing date of the request. (See Chapter 3 for details.)
3. Notify the Department in writing at the time you discharge an employee for a dishonest or criminal act, sabotage, an act endangering the safety of others, use of illegal drugs, refusal to take a drug test, or altering a drug test. (See Chapter 3 for details.)
4. Respond within 15 days to a Notice of Potential Charge to Your Tax Rating Account, if the employee left under potentially disqualifying circumstances or continues to work for you. (See Chapter 3 for details.)
5. Appeal determinations on claims believed to be incorrect within 15 calendar days from the mailing date of the notice. (See Chapter 3 for details.)
6. When it is necessary to lay off employees, rehire them as soon as possible in order to minimize benefit costs. (See Chapter 4 for details.)
7. Verify your Statement of Experience Rating Charges. (See Chapter 4 for details.)
8. Check your Tax Rate. (See Chapter 4 for details.)
9. File all reports and pay all taxes when due. (See Chapter 2 for details.)
10. Participate in the Department's New Hire Program. (See Chapter 7 for details.)

FORMS

ACCOUNT NUMBER	QTR ENDING DATE MM/DD/YY	NOTICE DATE MM/DD/YY

CLAIMANTS		BENEFIT YEAR BEGINS	ORIGINAL BENEFIT CHARGES	CORRECTED BENEFIT CHARGES	TOTAL BENEFIT CHARGES
NAME	SSN	MM DD YY			

* * * T O T A L * * *

COLUMN 3	"BENEFIT YEAR BEGINS" is the effective date of the claim, established when the claimant first files a claim for unemployment benefits.
COLUMN 4	"ORIGINAL BENEFIT CHARGES" is the employer's share of regular benefits issued during the sepcified quarter.
COLUMN 5	"CORRECTED BENEFIT CHARGES" is the employer's share of corrected benefits issued during the specified quarter.
COLUMN 6	"TOTAL BENEFIT CHARGES" is the sum of columns 4 and 5.
*	"CR" indicates CREDIT of previous charges.

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STATE OF ALABAMA
DEPARTMENT OF LABOR
UNEMPLOYMENT COMPENSATION DIVISION
MONTGOMERY, ALABAMA 36131
PHONE: (334) 242-8888 TDD: 1-800-548-2546

TAX RATE NOTICE

EFFECTIVE DATE: 1/1/2014

1. Date Notified
(Mon/Day/Year)

IMPORTANT: Your tax rate is final unless written request for review is submitted within 30 days from the date notified in Item 1. Send review request to the attention of the Experience Rating Section, Room 4215 at the above address or fax to: (334) 956 - 7496.

Please refer to your account number in correspondence with this Agency.

2. ACCT NUMBER	3. SCHED	4. SHARED COST	+	5. COMPUTED RATE	=	6. TAX RATE	7. ESA

REMINDER: Use the rate (Item 6) and ESA (Item 7) to compute your quarterly payment for the first quarter ending March 31 and following three quarters in the upcoming tax rate year.

8. FISCAL YEAR	9. BENEFIT CHARGES	10. TAXABLE PAYROLL	
			11. BENEFIT RATIO
12.		÷ 13.	=

HOW YOUR TAX RATE IS COMPUTED

The tax rate notice will be posted annually and available for download to employers who are eligible for rating. Your tax rate is computed using the three most recent complete fiscal years of benefit charges (Item 9) and taxable payrolls (Item 10). A fiscal year (Item 8) begins July 1st and ends the following June 30th.

Benefit charges (Item 9) are costs for actual benefits paid to former employee(s). Taxable payrolls (Item 10) include taxable wages upon which taxes have been paid by the preceding July 31st. Your benefit ratio (Item 11) is determined by dividing total benefit charges (Item 12) by total taxable payroll (Item 13). With knowledge of your benefit ratio (Item 11) and the statewide schedule (Item 3), you can verify your computed rate (Item 5) by using the excerpt of the Tax Rate Table provided online at www.labor.alabama.gov/uc/employer/aspx.

The statewide schedule (Item 3) and shared cost (Item 4) are determined in accordance with a 1989 amendment to the Alabama Unemployment Compensation Law. The amendment contains four rate schedules: A, B, C, and D. The applicable schedule is determined yearly by a formula that looks at the relationship of the Unemployment Compensation Trust Fund's balance to the desired level of the Fund. Shared cost is determined yearly and is defined as cost that cannot be assigned to a specific employer. Shared cost is added to the computed rate (Item 5) to determine the tax rate (Item 6). Employment Security Assessment (ESA - Item 7) monies are deposited to the Employment Security Enhancement Fund in the State Treasury and used to assist unemployed claimants in obtaining employment.

PAYMENT OF TAX AND ESA

The tax rate (Item 6) is displayed on line four of the printable Quarterly Contribution and Wage Report (Form UC-CR4); ESA (Item 7) is displayed on line six. The tax rate and ESA are also displayed in the Internet Tax and Wage Reporting System. Tax and ESA must be paid on the first \$8,000 you pay each employee in the calendar year. Reports and payments are due the last day of the month following the end of each quarter. You may compute, file and pay your tax online at www.labor.alabama.gov/eGov/login.aspx.

TAX RATE TABLE

To use the tax rate table, read down the column indicated "IF THE EMPLOYER'S BENEFIT RATIO IS:" until you come to the first percentage which equals or exceeds your benefit ratio which is shown on the front side of this notice. Then read across the horizontal line with the benefit ratio to the right. Your computed rate is indicated under the vertical column which corresponds with the schedule (A, B, C, or D) shown on the front side of this notice. All computed rates from the tax rate table, except 5.40%, must be reduced by 0.06%, the amount of the Employment Security Enhancement Assessment (ESA). For example, a computed rate of 2.30 from the tax rate table must be reduced to 2.24.

Your computed rate shown on the front of this notice has been reduced for the 0.06% ESA, if applicable.

LINE NO.	IF THE EMPLOYER'S BENEFIT RATIO IS:	EMPLOYER TAX RATE SCHEDULE:			
		A	B	C	D
1	0.00-0.39	0.20	0.35	0.50	0.65
2	0.40-0.59	0.35	0.50	0.65	0.80
3	0.60-0.79	0.50	0.70	0.90	1.00
4	0.80-0.99	0.70	0.90	1.10	1.20
5	1.00-1.19	0.85	1.10	1.30	1.40
6	1.20-1.39	1.00	1.30	1.55	1.65
7	1.40-1.59	1.15	1.50	1.75	1.90
8	1.60-1.79	1.30	1.70	1.95	2.15
9	1.80-1.99	1.45	1.90	2.15	2.40
10	2.00-2.19	1.60	2.10	2.40	2.65
11	2.20-2.39	1.75	2.30	2.60	2.85
12	2.40-2.59	1.90	2.50	2.80	3.10
13	2.60-2.79	2.05	2.70	3.05	3.35
14	2.80-2.99	2.20	2.90	3.25	3.60
15	3.00-3.19	2.35	3.10	3.50	3.85
16	3.20-3.59	2.50	3.40	3.80	4.20
17	3.60-3.99	2.80	3.80	4.25	4.70
18	4.00-4.39	3.10	4.20	4.70	5.20
19	4.40-4.79	3.40	4.60	5.10	5.70
20	4.80-5.19	3.70	5.00	5.50	6.20
21	5.20-5.59	4.00	5.40	6.00	6.70
22	5.60-5.99	4.30	5.40	6.00	6.70
23	6.00-6.39	4.60	5.40	6.10	6.80
24	6.40-6.79	4.90	5.40	6.10	6.80
25	6.80-7.19	5.20	5.40	6.10	6.80
26	7.20 or over	5.40	5.40	6.10	6.80

PAYMENT OF TAXES AND ESA

The tax rate on the front of this notice will be shown on page 1, line 4, of the Quarterly Contribution and Wage Report (UC-CR4). The ESA on the front of this notice will be shown on page 1, line 6. Tax and any applicable ESA are due on the first \$8,000 the employer pays each employee during the calendar year. Quarterly reports and payments are due the last day of the month following the end of each quarter.

CHAPTER 5

GOVERNMENTAL EMPLOYERS

This chapter explains special procedures for governmental employers that may be different than the information found in Chapters 1, 2 and 4. Chapter 3 applies to all employers.

Governmental Entities

State Government Units – The law provides “The whole of state government is considered to be one single entity.” Therefore, the various departments, agencies, boards, commissions, or other instrumentalities which administer the various functions of the government of the State of Alabama are covered and liable for the reimbursement of unemployment benefits paid to their workers.

Local Government – A local governmental entity consists of each county, city or town, school district or instrumentality of any single local governmental entity or one organized and operated jointly by two or more entities.

Local Governmental Instrumentalities – These are defined as being separately organized and operated independent organizations of a county or municipality to carry on some function of government for the city or county, or jointly, with power to hire, supervise and discharge its own employees, and generally to sue and be sued in its own name, to contract and to hold and convey real and personal property. Examples are: housing authorities, water and sewer boards, industrial development commissions, etc.

Federal Government and Instrumentalities – All units of the federal government including military entities are covered for UC purposes. Employees may file their claims with the Alabama UC Division. These agencies are billed on a reimbursement method of payment for all benefits paid.

Governmental Exclusions

The exclusions apply to services performed by an individual, not to the function of governmental entity. The exclusions are applied to services performed:

- By a recipient of services provided in a facility for rehabilitating persons whose age, physical or mental deficiency, or injury has impaired their earning capacity or persons in a sheltered workshop who cannot readily get jobs in the competitive labor market. It does not apply to the services of the administrators or instructors of such a program, but rather to those who would benefit from its program objectives, although they may be paid a stipend.
- As a part of an unemployment work relief or work training program assisted in whole or in part by any federal, state, county or local agency by a participant.
- In the employ of a school, college, or university by either of the following:

- (1) A student who is enrolled and regularly attending classes at such school.
 - (2) The spouse of a regularly enrolled student, if the spouse is advised at the beginning of such employment that:
 - (a) The employment is provided as a program giving financial assistance to the student by the school.
 - (b) Such employment will not be covered by unemployment insurance.
- For a governmental employer by an inmate of a custodial or penal institution.
 - In a hospital by:
 - (1) A patient;
 - (2) A student nurse while regularly attending classes in a nurses' training school; or
 - (3) An intern who has completed a four year course in a medical school.
 - Casual labor not in the usual course of the entity's regular activity or function.
 - By an individual who is enrolled in a public educational institution in a full-time program, taken for credit, which combines academic instruction with work experience, when the integral part of the work-educational program has been certified to the employer. This does not apply to a program established on behalf of an employer.
 - Any individual in the exercise of duties:
 - (1) As an elected official;
 - (2) As a member of a legislative body;
 - (3) As a member of the judiciary of the state or political subdivision;
 - (4) As a member of the State National Guard or Air National Guard;
 - (5) As an employee serving on an emergency temporary basis in case of fire, snow, earthquake, flood or similar emergency (This exclusion does not apply to permanent employees whose usual responsibilities include emergency situations.)
 - (6) As a major non-tenured policymaking or advisory position or a policymaking or advisory position- the performance of the duties of which ordinarily does not require more than eight hours per week.
 - (7) As an ordained and licensed minister in the performance of his ministerial duties.

Definitions

“Institution of higher education” for the purposes of this section, means an educational institution which:

- (1) Admits as regular students only individuals having a certificate of graduation from a high school, or the recognized equivalent of such a certificate; and
- (2) Is legally authorized in this state to provide a program of education beyond high school; and
- (3) Provides an educational program for which it awards a bachelor’s or higher degree, or provides a program which is acceptable for full credit toward such a degree, or a program of training to prepare students for gainful employment in a recognized occupation.

“Educational Institution,” for the purposes of this section, means an institution (except an institution of higher education as defined above) which meets the following three conditions:

- (1) Participants, trainees, or students are offered an organized course of study or training designed to transfer to them knowledge, skills, information, doctrines, attitudes or abilities from, by, or under the guidance of an instructor(s) or teacher(s).
- (2) It is approved, licensed or issued a permit to operate as a school by the State Department of Education or other government agency that is authorized within the state to approve, license or issue a permit for the operation of a school.
- (3) The courses of study or training which it offers may be academic, technical, trade, or preparation for gainful employment in a recognized occupation, as opposed to study or training in the social graces or skills or whose primary purpose is to provide baby sitting or day care services, although some learning activities may be included.

In any particular case, the question of whether or not an institution is an educational institution (other than an institution of higher education) within the meaning of the criteria described above will depend on what that particular institution actually does.

“Hospital” means an institution which has been licensed, certified or approved by the State Board of Health or the State Board of Mental Health as a hospital or a similar institution operated by the state or any of its political subdivisions or by an instrumentality of either of the foregoing.

“Contract” – The contract or contracts with an institution of education may take a number of forms. For example, an individual who has “tenure” and will resume his post when the next academic term or year begins is considered to have an ongoing contract even though he has no formal written contract. In some cases, the contract may be merely a notice of appointment or reappointment or a letter indicating that the services have been accepted. Generally, so long as there is a mutual commitment, the services are considered to be covered by a contract. Generally established academic customs and traditions, and those

peculiar to the particular institution involved, would be significant in determining whether there is an employment relationship between the institution and the individual.

“Reasonable Assurance” means a written, verbal or implied agreement that the employee will perform services in any capacity or any educational institution during the ensuing academic year or term.

FINANCING BENEFIT COSTS BY GOVERNMENT ENTITIES

Like any program or activity, the UC program costs money. Funds must be available to pay benefits to unemployed and eligible claimants, and the costs of administering the program must be borne. In this program, state and local governmental entities are required to bear only the cost of benefits. The administrative costs are paid by the U.S. Department of Labor from taxes collected from business, industrial, agricultural and domestic employers.

REIMBURSING EMPLOYERS' WAGE AND CONTRIBUTION REPORTS

For Reimbursing Employers:

UC advance payments are due quarterly. This report (Form UC CRG) is due each quarter, after the second quarter of coverage, not later than the 10th day of the first month of each quarter. Prompt compliance with payments and reporting requirements may prevent the assessment of costly penalties and interest.

Total wages for all employees, as defined in the law, must be reported on a calendar quarter basis. Wages are reported online at www.labor.alabama.gov. The quarterly report is due not later than 30 days after the close of each calendar quarter. A wage report must be filed for each quarter even if no wages were paid.

CHOICE OF METHODS

Local governmental agencies are given the choice of two (2) methods of financing benefit costs. State agencies have no choice, since the Legislature has made that choice already. The two methods are:

(1) **Contributory or “tax rate” system** – Under this system, an agency becoming liable under the law for the first time would pay unemployment tax at the rate of 2.7% of their taxable payroll. The taxable payroll is the first \$8,000 paid to individual employees during a calendar year. Remuneration paid for services exempted under exclusions should not be included in wage reports. Chapters 2 and 4 cover contributory employers.

(2) **Payments in lieu of contributions or the “reimbursing” method** – Under the reimbursing method, governmental agencies (state and local), while making certain advance payments to the Trust Fund, pay the cost of benefits paid to former employees which is attributable to wages paid by the agencies.

Changes are allowed for local agencies, after an initial option. They are effective on January 1, provided a written application is made by December 1. Local agencies which switch from

the tax rate system to the reimbursing method must remain on that method at least two calendar years.

Employers may change to the other method any January 1, following six calendar quarters of coverage, ending on September 30, by filing the written application by December 1, prior to the following January 1. A reimbursing employer who changes to the tax rate method of financing will assume the tax rate, based on unemployment experience, that would be applicable had the reimbursing employer been a tax rated employer during the period of measured unemployment experience.

The option to change must be made only by the governing body of the local entity. For example, only the County Board of Revenue or County Commission may choose the option. For cities, only the City Council or Commission; for others, the Board of Directors or equivalent may make the choice. A copy of the resolution adopted, or the minutes of the meeting during which the decision was made, must be provided. The initial option to reimburse must be made within 30 days from the date the entity comes into existence; otherwise, the tax rate option is assigned.

Under this method the local entity reimburses the Trust Fund for the benefits paid to their former employees which are attributable to wages paid by the local entity. The reimbursement is on a “dollar for dollar” basis. If a dollar is paid out, a dollar is paid back.

In order for sufficient monies to be available in the Trust Fund, the governmental entities will make advance payments to the Trust Fund, and an annual accounting and adjustment will be made to balance the account.

HOW THE GOVERNMENTAL REIMBURSING METHOD WORKS

Advance Payments

Prior to April 1 each year, an advance payment rate is computed for each local government reimbursing employer. The employer is notified by April 1 of the rate which becomes effective the following October 1, for a period of four consecutive calendar quarters, Form **UC216A**.

The rate is computed by dividing the benefit cost attributable to the employer into the employer’s total covered payroll for the same period. The percentage thus derived is the advance payment rate.

The amount of the advance payment is computed by multiplying the advance payment rate by the employer’s average quarterly payroll for the preceding calendar year. The law permits adjustments to increase or decrease advance payments to minimize under payments or excess payments.

Form **CR4G** is sent to the employer approximately ten days prior to the end of a quarter and is to be returned with the advance payment by the due date which is the tenth day of the month following the end of the quarter.

After September 30, the reimbursing account of each entity will be examined to determine whether the advance payments have equaled the benefit payments made and charged to their account. An annual statement, Form **UC212G**, is mailed informing if there is a credit on the account or a debit. If there is a debit balance, the amount due must be paid within 20 days from the date of mailing. If there is a credit balance on the account, the annual statement will reflect same. Refunds are issued if approved by the Commissioner of Labor and funds are available. If the employer prefers, the credit may be applied to future advance payments owed.

Below are two examples of computing an advance payment rate:

Example 1:

Total Covered Payroll	\$1,200,000	
Total Benefits Costs	7,200	
Thus: $\frac{\$7,200}{\$1,200,000}$		=0.006 or 0.6%

Example 2:

Total Covered Payroll	\$1,200,000	
Total Benefit Costs	24,000	
Thus: $\frac{\$24,000}{\$1,200,000}$		=0.02 or 2%

KEEPING UP WITH CHARGES TO YOUR REIMBURSING ACCOUNT

When a former employee files a claim for benefits, the monetary entitlement is based on covered wages during the base period. If all base period wages were earned in the employer's employ, then the employer would be responsible for 100% of the benefit costs.

If the claimant has been paid wages by two or more employers in the base period, the reimbursing employer will be charged a percentage of the cost equal to the ratio the wages paid by the reimbursing employer bears to the claimant's total base period wages. If his total base period wages were, for example, \$10,000 of which \$5,000 were paid by the employer, the ratio would be 50%.

When a reimbursing employer discharges an employee for any of the reasons listed below, notification must be given to this department at the time of discharge. The notification must be in writing in order to prevent benefits, based on this period of employment, from being paid:

- A dishonest or criminal act.
- Sabotage.
- An act endangering the safety of others.
- Use of illegal drugs, refusing to take a drug test or altering a drug test, if all of the following conditions are met:
 - The employer has a reasonable drug policy.
 - The drug test meets the Department of Transportation standards.
 - The employee has been notified in writing of the drug policy.

If a claim, based on this period of employment, is ever filed, this notification by the employer advises us to delete the wages from use on the claim. Further fact finding may be necessary after a claim is filed to assist the department in making the correct decision.

Every quarter, the Alabama Department of Labor furnishes each reimbursable employer a Form **212A**, Statement of Benefit Cost. The statement reflects each former employee and the amount of benefits paid in the respective quarter. A reimbursing employer can keep up with the amount of costs paid out by reviewing these statements.

FORMS

ADVANCE PAYMENT RATE NOTICE

GOVERNMENTAL EMPLOYER

ACCOUNT NUMBER

Please refer to your account number in correspondence with this Agency.

1. DATE NOTIFIED

For Fiscal Year Beginning 10/1/2021

2. TOTAL ANNUAL BENEFIT COST	÷	3. TOTAL COVERED PAYROLL	=	4. ADVANCE PAYMENT RATE
\$0.00		\$0.00		0.00 %

The Rate shown in Item 4 applies only to Advance Payments due AFTER the "Fiscal Year Beginning" date shown above. Your Advance Payment Rate will also appear on Form CR-4G (REPORT OF PAYMENT TO UNEMPLOYMENT COMPENSATION TRUST FUND) which is mailed quarterly. The Advance Payment is due by the 10th day of the first month of each quarter.

The amount shown in Item 2 represents the Total Benefit Costs charged to your account during the last CALENDAR YEAR. Item 3 represents Total Covered Payroll amounts reported by your for that year.

The Advance Payment Rate and the computations used in this notice become final for all purposes unless request for review is made within 30 days from the "DATE NOTIFIED" (Item 1) above. (Sections 25-4-51(b) and 25-4-54(h), Code of Alabama, 1975 as amended) The Advance Payment Rate Notice will be available for download on an annual basis no later than March 31st of each year.

FORM CR-4 G
(Rev. 10-2012)

STATE OF ALABAMA
DEPARTMENT OF LABOR
REPORT OF PAYMENT TO UNEMPLOYMENT COMPENSATION TRUST FUND
GOVERNMENTAL EMPLOYER

EMPLOYER ACCOUNT NUMBER

DATE NOTIFIED

THIS REPORT MUST BE SIGNED AND RETURNED WITHIN TEN (10) DAYS OF THE QUARTER BEGINNING DATE EVEN IF THE AMOUNT DUE IS \$ 0.00.

IF REMITTANCE IS DUE, MAKE CHECKS PAYABLE TO: ALABAMA DEPARTMENT OF LABOR. RETURN THIS FORM TO THE ADDRESS SHOWN ABOVE.

This is to certify that the information contained in this report is true and correct to the best of my knowledge and belief.

Report for Quarter Beginning

for Account Number

0.00	X	0.00 %	=	0.00	
average quarterly covered payroll for calendar year		advance payment rate		amount due	amount remitted

STATEMENT OF BENEFIT COST

0028953150

CLAIMANTS		BENEFIT YEAR BEGINS	ORIGINAL BENEFIT COST	CORRECTED BENEFIT COST	TOTAL BENEFIT COST
NAME	SSN	MM/DD/YYYY			
* * * T O T A L * *			\$0.00	\$0.00	\$0.00

NOTE: These charges become final upon the employer for all purposes and in all proceedings whatsoever unless application for revision thereof is made within 30 days from the date notified. This Form UC-212-A, Statement of Benefit Cost, is not a bill. Government employers should not immediately pay the amount shown on this statement. Non-profit employers must pay the amount billed on Form CR-4 N.

STATE OF ALABAMA
DEPARTMENT OF LABOR
UNEMPLOYMENT COMPENSATION AGENCY
MONTGOMERY, ALABAMA 36131
(334) 954-4701

ANNUAL STATEMENT OF ADVANCE PAYMENT ACCOUNT
GOVERNMENTAL EMPLOYER

YOUR ACCOUNT NUMBER

Please refer to your account
number in correspondence
with this Agency.

DATE NOTIFIED

1

FISCAL YEAR ENDING 9/30/2019

BENEFIT COST	PAYMENTS	TOTAL
	-	2
PRIOR BALANCE (INCLUDES ANY PRIOR DEBITS/CREDITS)		3
DEBIT (REMIT WITHIN 20 DAYS)		4
CREDIT (THIS CREDIT REFLECTS THE BALANCE AFTER ALL UNPAID COSTS DUE, PENALTIES AND/OR INTEREST HAVE BEEN DEDUCTED.)		5

Any request for review of computation of the amounts shown on this notice must be made within 30 days from the date notified (Item 1). Protest does not extend time for the payment of any balance due. (See section 25-4-54(h) Code of Alabama 1975 as amended.)

If Item 4 indicates a balance due, that amount must be remitted via electronic funds transfer to this Agency within 20 days from the "Date Notified" shown above (Item 1). Interest accrues at a rate of 1% per month on delinquent payments.

If Item 5 indicates a credit, the credit may be used for future advance payments, or may be refunded upon request in writing made within 20 days from the data in Item 1. (See Sections 25-4-54(h), 25-4-51 and 25-4-132 Code of Alabama 1975 as amended.)

CHAPTER 6

NON-PROFIT ORGANIZATIONS

This chapter explains special procedures for non-profit organizations that may be different than the information found in Chapters 1, 2, 4 and 5. Chapter 3 applies to all employers.

Non-profit organizations engaged in exclusively religious, charitable, scientific, literary or educational purposes or for the prevention of cruelty to children or animals, and exempt under Section 501 (c) (3) of the IRS Code, are liable, if they employ four (4) or more individuals on the same date in each of twenty separate weeks within a calendar year, whether or not consecutively. However, the organization is exempt entirely if it is a church or controlled by a church or group of churches.

A non-profit organization that has any exemption from the IRS other than the 501 (c) (3) is liable the same as any regular employer and cannot choose the “Reimbursement” option.

FINANCING METHODS FOR NON-PROFITS

Two methods of financing contributions are provided for non-profit organizations. They are the Tax Rate Basis and the Reimbursement Basis. These two methods are described below. Before each organization chooses the method they wish to use, the information regarding both should be carefully studied.

“Tax Rate” Basis – This is the method prescribed for all regular business and industrial employers. This method is described in detail in Chapter 4.

Under this system, each organization pays contributions at the rate of 2.7% of its taxable payroll until such time as it earns its own rate as described in Chapter 4 of this handbook. They will be required to file reports, etc., as set out in Chapter 2 of this handbook.

“Reimbursement” Basis – Non-profit organizations subject to the Alabama UC Law and exempt from Federal UC under the provisions of Section 3306 (c)(8) of the Federal Internal Revenue Code MAY elect, if they so desire, to make payments in lieu of the regularly required contributions. These are called “Reimbursement” payments and are made to reimburse the unemployment insurance fund for the benefits paid to former employees of the non-profit organization on a dollar for dollar basis.

This is a choice to be made by the non-profit organization. Those who become liable for coverage must elect a method of payment within 30 days after meeting the conditions which make them liable.

Election and Change of Reimbursement Election

Any such non-profit organization which becomes subject to the Alabama Unemployment Law based on its employment record may elect to become liable for payments in lieu of contributions for a period of not less than six (6) consecutive calendar quarters by filing a

written notice of its election not later than 30 days immediately following the date on which the conditions rendering such organization subject were fulfilled.

Any non-profit organization which makes an election in accordance with the above paragraph will continue to be liable for reimbursement payments for the minimum period of time and until it files with the Director a written notice terminating this option. The notice must be filed by December 1, of the year it desires to change options. The change in options will become effective at the end of the calendar year.

Any non-profit organization which has been on a tax rate basis under the Alabama UC Law for at least one calendar year may change to a reimbursable basis by filing, not later than the first day of December preceding the beginning of any calendar year, a written notice of election to become liable for reimbursement. The election shall not be changed by the organization during that and the next calendar year. It may be changed only by following the above procedure.

Benefits Pro-Rated:

Benefits Paid to a Claimant for Two or More Employers in Base Period

If benefits paid to a claimant are based on wages paid by two or more employers, the amount of benefits payable by an organization required to or electing to make payments in lieu of contributions shall be an amount which bears the same ratio to the total benefits paid to the individual as the total base period wages paid by such employer to the individual and used for the payment of benefits bears to the total base period wages paid to the individual by all his base period employers and used for payment of benefits.

Reports and Payments

Non-profit employers report wages quarterly on line at www.labor.alabama.gov.

Non-profit employers electing to make payments on a reimbursement basis shall, at the end of each calendar quarter, pay an amount equal to the full amount of regular benefits plus one-half of the extended benefits, if any, paid during such quarter which is attributable to service in the employ of such organization.

A Form **UC-212A**, Statement of Benefit Cost, is issued every quarter and reflects the former employees and amounts of unemployment benefits paid to them. Payment in full is due the Alabama Department of Labor **within 20 calendar days** of the notification date.

Surety Bond or Cash Deposit

Any non-profit organization which elects to make payments on a reimbursement basis shall, in addition to making such payments, be required within 30 days after the date the Director mails the notice of his approval of its election, to execute and file with the Director a surety bond or a cash deposit in lieu thereof, as approved by the Director.

A surety bond must be issued by a bonding company licensed and authorized to do business in this state.

Amount of Surety

The amount of the surety bond or cash deposit shall be an amount determined by the Director, but not more than 5.4% of the organization's wages paid for employment for the four calendar quarters immediately preceding the effective date of the election or the renewal date in case of a bond or the biennial anniversary in the case of a cash deposit, whichever date shall be more recent and applicable. For any organization which did not pay wages throughout each of four such calendar quarters, the amount of bond or deposit shall be determined by the Director.

Penalty for Failure to Furnish Surety

Any non-profit organization failing to furnish surety within the required length of time **will no longer be allowed to pay on a reimbursement basis** and will be required to pay contributions on a tax rate basis for a period of not less than two calendar years thereafter.

Voluntary Election

The Alabama UC Law prohibits any non-profit organization which does not qualify as a covered employer, from voluntarily electing to become an employer covered by the law. Services performed for a non-covered non-profit organization are excluded from the definition of employment in the law.

FORMS

STATEMENT OF BENEFIT COST

0028953150

[illegible]

NOTE: These charges become final upon the employer for all purposes and in all proceedings whatsoever unless application for revision thereof is made within 30 days from the date notified. This Form UC-212-A, Statement of Benefit Cost, is not a bill. Government employers should not immediately pay the amount shown on this statement. Non-profit employers must pay the amount billed on Form CR-4 N.

STATE OF ALABAMA
DEPARTMENT OF LABOR
UNEMPLOYMENT COMPENSATION DIVISION
MONTGOMERY, ALABAMA 36131
(334) 954-4701

NOTICE OF PAYMENT DUE
UNEMPLOYMENT COMPENSATION TRUST FUND

EMPLOYER ACCOUNT NUMBER _____

Pursuant to the Statement of Benefit Cost, you are hereby notified that payment in the amount shown in Item 3 is due the Unemployment Compensation Trust Fund by virtue of your election to make payments in lieu of contributions as provided in Section 25-4-51(5)(b)1 of the Unemployment Compensation Law of Alabama. Section 25-4-51(6)(b)1 of the Law provides such payment must be made within 20 calendar days of the date notified (item 2). Interest accrues at a rate of 1% per month on delinquent payments.

1. QUARTER ENDING _____

2. DATE NOTIFIED _____

3. TOTAL DUE* _____

(Total Due excludes prior balance & interest, if any)

*Payment must be made electronically at www.labor.alabama.gov.

CHAPTER 7

MISCELLANEOUS

NEW-HIRE PROGRAM

The New-Hire Act is designed to accomplish the following:

- Curtail overpayment of UC by preventing payment to individuals who have returned to work.
- Stop individuals from receiving workers' compensation while employed;
- Locate non-custodial parents who are delinquent in legal child support obligations;
- Recoup from unemployment compensation the cost of over-issuance of food stamps.

Alabama New-Hire has also provided a direct means for identifying workers who refuse jobs while receiving unemployment compensation. An individual can be denied benefits for failure to accept suitable employment.

All employers are required to report each newly hired or recalled employee to the Alabama Department of Labor. The information must be furnished within seven days from the date of hire or reemployment. (Employers reporting electronically may transmit twice monthly, not less than twelve days or more than sixteen days apart.) Employers who fail to report newly hired or recalled workers may be fined up to \$25 for each violation.

All reports of hire will require the following data: employee's name, address and social security number; first day of work; and, whether the employee was newly hired or recalled to work. A newly hired employee is an employee who: 1-has not previously been employed by the employer or 2-was previously employed by the employer but has been separated from such employment for at least sixty consecutive days. Also required are the employer's Federal Identification Number (FEIN), name and address.

Effective May 1, 2008, employers with five more employees must report via the internet through the Alabama Department of Labor website. Employers with less than five employees may use the internet system, or they may send copies of W-4s to the New Hire Unit. W-4s must have additional notations showing the date the employee began work, and whether the employee was a new hire or recall.

You may contact the Alabama Department of Labor New-Hire Unit as follows:

Alabama Department of Labor
New-Hire Unit
649 Monroe Street, Room 3205
Montgomery, AL 36131-0378
Website: www.labor.alabama.gov/nh

Questions regarding file upload or technical issues:
Phone: (334) 206-6020
Fax: (334) 206-6020
E-Mail: newhire@labor.alabama.gov

Inquiries regarding Compliance Issues:
Phone: (334) 956-4013
Fax: (334) 956-4013

NO UC TAXES PAID BY EMPLOYEE

Employees often believe UC taxes are withheld from their paycheck and that gives them the right to draw benefits no matter why they leave their job. In fact, no unemployment compensation taxes – federal or state – are withheld from employees in Alabama. The employer pays all taxes involved.

BENEFITS RECEIVED ARE TAXABLE

UC benefits received by former employees are taxable. Each January the department notifies each recipient on form 1099G of the total benefits received the previous calendar year.

CHILD SUPPORT OFFSET

Under certain conditions, a former employee's unemployment compensation benefits can be reduced to pay child support obligations. Request for garnishment **must** be made through the Department of Human Resources.

REQUIRED POSTINGS FOR UC INFORMATION

Each employer is required to post certain unemployment compensation information for its employees. This material is provided when you become liable. If you need extra copies or want to make certain you have all of the current material, please contact the Tax Operations Section, your local field tax office, or the local claims office.

QUALITY ASSURANCE

A random sampling of benefit payments is thoroughly investigated each week. Specialists with the UC Program may contact you to spot check wages paid, the reason for separation, and contacts made looking for work. Accurate payments are important to everyone.

~~OVERPAYMENT CROSS MATCH~~

~~In an attempt to reduce overpayments, wages earned in a particular quarter are cross-matched against UC payments made. When a match occurs, documents are sent to the employer for more information on when the wages were earned. If wages were earned in the same week that benefits were paid and they were not reported, an overpayment is established on the claimant. Form 8605A may be received from the department periodically. In some instances, these wages are the basis for the pursuance of prosecution and an accurate breakdown is a must. Participation in the New Hire Program provides early notification that claimants have rejoined the workforce, thus reducing the need for this procedure.~~

OVERPAYMENT COLLECTION

Once established, the collection activities on overpayments begin. Direct cash repayments, offsets against benefits due, and collections from state income tax refunds are all successfully used in Alabama. In some cases, fraud penalties are established and prosecutions are pursued. In other cases, judgments may be pursued.

BACKPAY AWARDS

1. Section 25-4-78 (6) of the Alabama Unemployment Compensation Law **requires** the employer to give notice of the award of any retroactive payment of wages to the Alabama Department of Labor Benefit Payment Control Section, **prior** to making payment of any amount to the employee.
2. After we have been notified, the employee will be disqualified during any week for which he receives or is to receive back pay. Any payment of unemployment benefits paid during these weeks will constitute an overpayment of benefits and is to be recovered from the award.
3. The Notice of Back Pay Award is to be prepared by the employer when it is determined that an employee or former employee is to be awarded back pay. The form BEN 290, Notice of Back Pay Award, can be obtained by submitting a request to the Alabama Department of Labor Benefit Payment Control Section or by accessing the Unemployment Compensation Documents section of the Alabama Department of Labor website at <http://labor.alabama.gov/docs>.
4. Upon receipt of this notice by Benefit Payment Control Section, the amount of the overpayment of benefits, if any, will be determined. A copy of this notice will be returned to the employer certifying the amount which must be deducted from the total award. The deduction is then to be made and promptly forwarded to the Department, attached to a copy of the certified notice.
5. If the worker receiving back pay has been paid unemployment benefits for any week during the period covered that amendment to subdivision 25-4-78 (6) requires:
 - a. The claim to be reopened, even after the end of the benefit year and a redetermination be issued assessing a disqualification from each week of unemployment falling within the award period, under Section 25-4-78 (6). This, of course, is an appealable determination.
 - b. The amount of benefits paid during the disqualification period to be determined, an overpayment established in that amount, and the employer advised of the amount. The employee (claimant) is notified. This again is appealable. The employer making the payment must deduct the amount of the overpayment from the payment and immediately remit that amount to the Department.
 - c. The amount of restitution must be credited against the overpayment and the claimant's maximum benefit amount restored.

d. Benefit wage or benefit cost charges to the employer's experience rating or reimbursement account will be removed and a credit applied in the year and quarter in which the restitution of the overpayment is received.

e. In addition, the employer deduction requirement in Code of Alabama 1975 (as amended 1980), Section 25-4-78 (6), is not applied to back pay awards resulting from a National Labor Relations Board charge. Therefore, an employer is no longer required to deduct and transmit benefits previously paid to the employee from a back pay award resulting from National Labor Relations Board involvement. All employers will be required to continue providing the Benefit Payment Control Section as far in advance of the issuance of the award as is possible to facilitate collection arrangements. This policy is the result of an agreement entered into between the Department and the National Labor Relations Board, and it applies only to back pay awards which arise from National Labor Relations Board involvement.

f. As for the removal of charges made against a reimbursing employer's account, this section of the law will not be applied to National Labor Relations Board back pay awards until the Department has collected the overpayment from the employee.

*It should be noted that these provisions normally apply to individuals who were separated from their jobs and are returned with pay, on a retroactive basis. Also, when the worker is not separated as in the case of retroactive awards made from demotions or discriminatory promotion; for example, when an individual was entitled to an increase in pay but did not receive it until months later, these wages are flagged only, because the employee was not issued Unemployment Compensation benefits.

FORMS

FORMS

CHAPTER 8

DISTRICT TAX OFFICES

Each district tax office is staffed by at least one field deputy. They provide local service to employers and often are the best place to start if you have a UC tax question.

Field deputies primarily work on wage problems resulting from a claim filed, audit employers' reports and wages, collect reports and taxes that may be delinquent and set up new employers.

You may reach the nearest field deputy at one of the following locations. They are often out of the office on official business, but will return your call when they are back in the office.

<u>CITY</u>	<u>OFFICE ADDRESS</u>	<u>(AREA)PHONE/FAX</u>
Anniston	1731 Cullman Road	(334)954-7777/(334)954-7777
Birmingham	631 Beacon Pkwy West #203	(334)954-7766/(334)954-7766
Huntsville	2535 Sparkman Drive NW	(334)954-7771/(334)954-7771
Mobile	515 Springhill Plaza Court	(334)954-7728/(334)954-7728
Montgomery	1060-C East South Blvd.	(334)954-7737/(334)954-7737

Out-stationed field deputies are also located in:

Alabaster	109 Plaza Circle	(334)954-7756/(334)954-7756
Cullman	801 Main St NW, Hanceville	(334)954-7768/(334)954-7768
Decatur	1819 Bassett Ave, SE, Bldg A	(334)954-7757/(334)954-7757
Dothan	787 Ross Clark Circle	(334)954-7732/(334)954-7732
Enterprise	2021 Boll Weevil Circle	(334)954-7730/(334)954-7730
Foley	200 W. Michigan Avenue	(334)954-7746/(334)954-7746
Gadsden	216 N. 5 th Street	(334)954-4730/(334)954-4730
Jasper	2604 Viking Drive	(334)954-7753/(334)954-7753
Opelika	2300 Fredrick Road	(334)954-7738/(334)954-7738
Selma	1114 Water Avenue	(334)954-7747/(334)954-7747
Sheffield	500 S. Montgomery Avenue	(334)954-7780/(334)954-7780
Tuscaloosa	202 Skyland Drive	(334)954-7754/(334)954-7754

ADOL Website: www.labor.alabama.gov