

DECEMBER 2015

Staffing Service Notification Requirements

Per N.D.C.C. 52-04-24, long-term employee staffing services must notify Job Service North Dakota (JSND) of:

- *Client company's name
- *Client's unemployment insurance account number
- *Date the staffing service began providing services to the client
- *Copy of the signed agreement/contract

This information must be supplied to JSND no later than 15 days from the effective date of the written agreement between the staffing service and the client. If the agreement between the staffing service and the client is terminated, the law says JSND must also be notified no later than 15 days from the effective date of the termination.

Voluntary Contributions for 2016

The 2016 employer tax rate notices were mailed December 4, 2015. If your unemployment tax rate is higher than expected, you may benefit from making a voluntary contribution to lower your rate.

To be eligible to make a voluntary contribution, your account must be experience rated and all required reports have been filed with JSND. This will exclude any employer classified as a new employer for 2016 and any employer that has received the 2016 delinquent rate for not filing all required reports. Additionally, if you already have the lowest rate available for 2016 (.280%) a voluntary contribution cannot be made.

A voluntary contribution can be made by check or through UI Easy, our electronic online filing system. If you choose to make a voluntarily contribution on UI Easy select the "Rate Projections" link under the "UI Tax Account Management" heading. This link will be available from December 11, 2015 - April 30, 2016. By providing the projected taxable payroll for 2016, UI Easy determines what rates are available to buy down to, what voluntary contribution is required, and the projected net savings. UI Easy will highlight the rate that has the greatest potential savings. You will select the radial button next to the rate you want to buy down to and then make a payment. This payment will be flagged as a voluntary contribution and applied to your account.

If you have questions surrounding a voluntary contribution, please contact a field representative or call 701-328-2814 and a rate projection will be done for you. When mailing a check for the voluntary contribution make sure to indicate the tax account number and that it is for a voluntary contribution to buy down the 2016 tax rate. If the check does not specify what it is for, it will be applied to the account as a credit and used for future quarterly payments.

All voluntary contributions must be submitted to JSND by **April 30, 2016**.

North Dakota Century Code does not allow for late submissions.

Need Help?

Talk to your local UI field representative, or contact the Unemployment Insurance office.

UI Tax and Field Services
1000 E Divide Avenue
PO Box 5507
Bismarck, ND 58506-5507

Phone: 701-328-2814
TTY: 800-366-6888
Fax: 701-328-1882
Website: www.jobsnd.com

Fraud Tip Hotline: 701-328-1680



Employer's Contribution and Wage Reports for the quarter ending Dec. 31, 2015 are due and must be submitted by Jan. 31, 2016.

Reports and payments not filed by the due date are subject to penalty and interest charges.

UI EASY is unavailable between 10 p.m. (CST) and midnight Monday through Friday.

Application To Exempt Corporate Officers

SFN 18411



N.D.C.C 52-01-01(17) allows for officers/members of a corporation or a LLC treated as a corporation to exempt their wages from North Dakota state unemployment. In order to qualify for the exemption, the following criteria must be met:

- The application must be timely. To be timely the application must be submitted **within 60 days of formation of the corporation/LLC or by January 31st** of the year in which the desired exemption is to become effective.
- The business must be registered with the North Dakota Secretary of State.
- A Report to Determine Liability (SFN 41216) must be on file with JSND. If the application to exempt is received without a Report to Determine Liability, Job Service North Dakota will send a request for a Report to Determine Liability to be completed.
- Ownership and officer/manger information must match on the Report to Determine Liability and the application to exempt. If it doesn't match, Job Service North Dakota will request the completion of an updated Report to Determine Liability.
- One-fourth or more ownership interest must be controlled by the officers/managers or by the officers/manger's parent, child, spouse, or by any combination of them.

If the application to exempt is approved, the exemption will remain in effect for that officer/manger until that officer/manger requests to void the exemption. The exempted officer/manger will no longer have to report their wages on the quarterly Employer's Contribution and Wage Report. If the corporate officer/manger was the only employee, an inactivation notice may be completed to inactivate the account so no future reports would be due. If additional employees are hired or the corporate officer rescinds the exemption, the account will be reactivated.

The Federal Unemployment Tax Act (FUTA) does not allow for corporate officers/managers to exempt wages. The FUTA tax ramifications should be examined before choosing to exempt officers/managers.

Rescinding a Corporate Officer Exemption

A request to void/cancel a corporate officer/manger exemption must be submitted to JSND in writing and can be done anytime. There is no specific form or format, but it must include the following:

- Requested effective date of rescission:
 - Must be for whole year(s) or to the date of the original exemption and no more than three years prior to the beginning of the current year.
- Name and title of each officer/manger for whom the resumption of coverage is being requested.
- Signature of each officer/manger requesting the rescission.

For the rescission to be approved :

- A request to void or cancel the exemption for the current year must be for the full year, or to the date the officer/manger first became exempt if a full year does not apply.
- If the requested effective date is a date prior to the beginning of the current quarter, form SFN 41270, Statement to Correct Employer's Contribution and Wage Report, and any resulting balance due (including tax, applicable interest and/or penalties) for all previous quarters must be submitted prior to the request being approved.

An employer who has requested to void or cancel an officer/manger exemption, will be notified in writing of the acceptance or denial.

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Job Service North Dakota is an equal opportunity employer/program provider. Auxiliary aids and services are available upon request to individuals with disabilities.

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