

March 2015

Is Your Construction Project Subject to Unemployment Insurance Bonding Requirements?

Any project in North Dakota with an estimated construction cost of at least \$50 million will likely fall under unemployment insurance bonding requirements.



This bonding requirement is in addition to required payment of all unemployment contributions and taxes due.

The Construction Project Risk Protection provision requires the general or prime contractor, or the owner in those situations in which there is no general or prime contractor, of a major construction project to post a surety bond or irrevocable letter of credit with Job Service North Dakota **prior** to commencement of construction work on the project.

[North Dakota Century Code](#)

[52-04-06.1](#) outlines specific bonding requirements for North Dakota projects that meet the following criteria:

- The estimated construction costs are \$50 million or greater.
- The project is planned to be completed or discontinued within a period of 7 years.

Each contractor on the covered project must maintain separate payroll records and must submit separate quarterly reports for all employment and all wages paid for work on the project.

Call 701-328-2814 if you have questions about these requirements.

Deadline to Lower 2015 Tax Rates Fast Approaching

Your business may benefit from making additional payments, known as “voluntary contributions,” to lower your unemployment insurance tax rate. Your tax rate notice explains the voluntary contribution process.

Voluntary contributions only affect the current year’s tax rate and must be made by April 30 of the tax year (2015). Log in to **UI EASY** to use the calculator and determine the cost and benefit of making a voluntary contribution, or contact your unemployment insurance field representative for assistance.

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
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Website: www.jobsnd.com

Fraud Tip Hotline: 701-328-1680



Employer’s Contribution and Wage Reports for the quarter ending March 31, 2015 are due and must be submitted by April 30, 2015.

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

UI EASY is unavailable between 10 pm and midnight Monday through Friday.

Wages: Covered or Exempt?

Whether or not you owe unemployment insurance tax on wages depends on several factors. Take a look at the chart below for more information.



Type of Payment	Covered Wages	Exempt Wages
Wages for Owners & Family Members		
Sole Proprietor/Business Owner)		X
Spouse of Sole Proprietor		X
Children of Sole Proprietor	Included if over 18 or not living at home	Exempt if under 18 and living at home
Parents of Sole Proprietor		X
Partners of a Bus. Partnership		X
Children of Husband/Wife Partnership	Included if over 18 or not living at home	Exempt if under 18 and living at home
Dependents of a Partnership (Other than Husband/Wife Part.)	Exempt only if an exempting relationship applies to all partners	
Officers of a Corporation	X ¹	
Members of a Limited Liability Co.	X ¹	
Other Payments		
Award and Prize Money	X	
Cafeteria Plans (Section 125)	X	
Deferred Compensation Plans	Employee paid amt.	Employer paid amt.
Dismissal Payments	X	
Salary Bonuses	X	
Sick Pay	Until the expiration of 6 continuous mos (includes third party payments).	
Vacation Pay	X	
<small>Remuneration to, (a) Corporate officers and, (b) Managers of Limited Liability Companies that are treated as corporations for purposes of federal income taxation AND managers (of any LLC) who are not members, for services performed are considered wages under state law, and must be reported. However, remuneration to corporate officers or Limited Liability Company managers owning 25 percent or more of the corporation or LLC may be exempted, if with the consent of the officer/manager, and within 60 days of formation of the corporation or LLC, or during January of any calendar year, the corporation/LLC files an application to exempt their services from coverage.</small>		

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*** Avoid Penalties ***

Submit Contribution and Wage Reports on time—even if no wages were paid. Penalties are assessed based on late filed reports **NOT** late payments. **File late reports now to avoid additional penalties—even if you are unable to pay the entire balance due.** You will be billed for the remaining balance.

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