

**INSTRUCTIONS FOR COMPLETING EMPLOYER'S
CONTRIBUTION AND WAGE REPORT SFN 41263**

WHO MUST FILE: All employers who are subject to the North Dakota Unemployment Compensation Law must file an Employer's Contribution and Wage Report every quarter even if no wages were paid. Once an employer becomes subject to the law, reports must be filed each quarter until Job Service has been notified that the business is no longer an employer, Notification can be completed filling out [SFN51704](#).

Government units and eligible nonprofit organizations who have elected the reimbursement method of payment must file form [SFN 19622](#) quarterly. Those who have chosen the advance reimbursement method (flat rate) must file form [SFN 52307](#) quarterly.

CORRECTION FOR PRIOR QUARTERS: If you need to correct a report submitted for a previous quarter, do not make adjustments by increasing or decreasing wages to be listed on this report. Attach a separate document showing the quarter to be corrected, the employee's name, social security number, wages previously reported incorrectly, and the correct wages along with the reason for the change. Correction form, [SFN 41270](#), may be obtained from this office or on our Internet site, but letters are acceptable for reporting corrections.

MULTI-STATE EMPLOYMENT: If any of your employees work in more than one state, all their wages should be reported to the state in which their service is "localized." Refer to [Section 52-01-01, Subsection 28](#), of the North Dakota Unemployment Compensation Law for the definition of "localized." If you are not sure in which state an employee's service is "localized," request an interpretation from this office.

STEP I

- Enter employers name and address. Enter check mark if address has address had changed.
Enter Employers account number, quarter ending, due date and tax rate.
- Item 9. If you have discontinued this business, indicate by checking the appropriate box A or B. Indicate the date sold or discontinued. If a new owner will continue the business, indicate the name and address of the new owner. The new owner will be required to file a separate report for any wages paid by it during the quarter. If your FEIN has changed, please indicate by checking box C, also indicate your new FEIN.
- Items 10, 11 & 12. Enter social security number, name, and gross wages paid for all employees. Show the total wages before any deductions even if the wages exceed the taxable limit. (See Step II, item 2 for definition)
- Item 15. Enter total wages listed for individuals on this page. Enter this figure (plus page totals of any attached forms) in Item 1.

STEP II

- Item 1. **TOTAL WAGES PAID THIS QUARTER:** Enter the total wages before any deductions paid this quarter to all employees.
Wages include salaries, commissions, fees, bonuses, vacation allowances, gifts, and the cash value of any non-cash benefits, employee contributions to 401K plans, 125 cafeteria plan benefits, and the amount of tips reported to you by your employees. Wages do not include room and board provided for the employer's convenience.
- Employees include corporate officers, certain limited liability company managers, and parttime or temporary workers. Also included are any individuals performing services for you under any contract of hire, unless the services are provided by a person who follows an independently established trade, business, or profession in which they offer their services to the general public. Employees do not include individual owners or true partners. Also excluded are the individual owners' spouses, their parents, and their children under age 18 who are living at home.

Elected officials are not to be reported by governmental employers.

- Item 2. **EXCESS WAGES:** The maximum amount of wages subject to contributions for each employee in a calendar year is indicated in the block above Item 1 on the report form. Wages in excess of this amount paid to an employee are not taxable. Enter in Item 2 the total amount of such nontaxable wages paid this quarter.

If an employee is transferred to North Dakota, wages you reported as taxable to another state may be considered in arriving at this amount. If this situation occurs, attach an explanation. If you acquired a business, the wages reported by your predecessor may be included in arriving at this amount for all employees that were acquired with the business.

Calculate an employee's excess wages by subtracting the taxable wage limit from the employee's year-to date wages. The results, not to exceed the employee's wages this quarter, are the excess wages for that employee. If the result is zero or less, there are no excess wages for that employee.

- Item 3. **TAXABLE WAGES:** Subtract Item 2 from Item 1.

- Item 4. **CONTRIBUTIONS DUE:** Multiply your taxable wages (Item 3) by your contribution rate.

- Item 5. **ADJUSTMENTS FOR PRIOR BALANCE:** Enter the amount of any current credit or prior balance due. Please provide documentation for adjustments as explained in the "Correction for prior quarters" section of these instructions.

- Item 6. **PENALTY:** Penalty for late filing of reports is: (a) For the first month or fraction thereof, 5 percent of the tax (contributions due) or \$25, whichever is greater; and (b) thereafter, for each month or fraction thereof, another 5 percent will be added but not more than 20 percent. The maximum penalty assessed for any quarter will be \$250.

- Item 7. **INTEREST:** Interest must be included if contributions are not paid on or before the last day of the month following the close of the calendar quarter in which the wages are paid. Interest rate is 1.5 percent for each month or fraction thereof.

- Item 8. **TOTAL REMITTANCE:** Total of Items 4, 5, 6, and 7. Send a check or money order with the report. Do not send cash. Make remittance payable to **JOB SERVICE NORTH DAKOTA**.

STEP III

- Item 13. Enter number of employees who were paid wages during the quarter and are listed on this report.

- Item 14. The monthly employment data reported on line Item 13 should be a count of all full-time and part-time workers in covered employment (subject to this state's Unemployment Compensation Law) who worked during or received pay for the payroll period which includes the 12th of the month. If no employment in the payroll period, enter zero.

STEP IV

- Item 16. If a question should arise about this report, whom should we contact?

STEP V

SIGNATURE BLOCK: Signature, title and phone number of individual who has responsibility for the contents of this report.