

Job Service North Dakota

Employer's Guide to Unemployment Insurance in ND
Report to Determine Liability

Employer's Guide to Unemployment Insurance in North Dakota

Purpose of Unemployment Insurance

The Unemployment Insurance Program provides temporary income for persons who have lost their jobs through no fault of their own while they search for new jobs.

The intent of the program is not only to protect an unemployed worker's financial health, but also to help keep main street businesses and a community's economy stable during periods of high unemployment.

Each person's benefit amount depends on his/her past wages.

Employer Reporting Requirements

An employer must file a Report to Determine Liability within 20 days after first employing workers.

Liable employers must file Employer's Contribution and Wage Reports quarterly. Reports can be filed electronically via our *UI EASY* online filing feature. Go to www.jobsnd.com for information on *UI EASY*. Reports must be completed and returned with the tax due by the end of the month following each calendar quarter. Reports and payments not submitted on time are subject to interest and penalty charges.

Tax payments can be made through electronic funds transfer (EFT) via ACH Debit in *UI EASY*. ACH credit is also available (See Electronic Funds Transfer on our web page or contact our EFT Coordinator.)

Which Employers Must Pay the Tax?

- Any employer with one or more workers during 20 different weeks in a calendar year or who has paid \$1,500 or more in wages in a calendar quarter.
- Any employer who acquires the business of another liable employer.
- Any employer employing workers in North Dakota who is liable under the Federal Unemployment Tax Act (FUTA).
- Political subdivisions and Indian tribes or business enterprises wholly owned by Indian tribes become liable immediately upon employing any non-excluded workers.
- Nonprofit organizations with 501(c)(3) income tax exemptions are liable if they employ four or more workers during 20 different weeks in a calendar year.
- Employers of agricultural labor are covered if they pay \$20,000 or more in wages in a calendar quarter or employ ten or more workers in 20 different weeks in a calendar year.
- Employers of domestic labor in a private home, local college club, or local chapter of a college fraternity or sorority are covered if they pay \$1,000 or more in wages in a calendar quarter.

Services Excluded From Coverage

Some types of employment are excluded from the unemployment insurance tax. The most notable exclusion is for service performed for a son, daughter, or spouse, or services performed by a child under age 18 for a parent while living in the parents' home. This exclusion does not apply to corporations or certain limited liability companies. It applies to partnerships only if the worker has an exempting relationship with each partner.

Corporations and Limited Liability Companies

Corporate officers who perform services for the corporation and receive remuneration for that service are considered employees. The same applies to LLC managers if: 1) the LLC is treated as a corporation for federal income taxation or, 2) the manager(s) is not a member. Employers of certain corporate officers and certain covered LLC managers with 25% or more ownership interest may, with the concurrence of the officer or manager, apply to exclude the officer's or LLC manager's services from employment. The application to do so must be filed within 60 days of formation of the corporation/LLC, or in January of the year in which the exclusion is to begin.

Your Tax Rate

When employers become liable for unemployment insurance they are classified as “new employers” and are assigned a new employer rate. Tax rates are re-determined for each calendar year based on the employer’s history as of the preceding October.

If, prior to October, “non-construction” employers have at least six quarters of coverage and “construction” employers have at least ten quarters of coverage, they are classified as “experience rated employers” beginning that calendar year; otherwise, they are classified as “new employers.”

Experience-rated employers are assigned rates based on their record of unemployment insurance taxes paid and benefits charged.

The rates vary each year depending on the employer's individual history and the condition of the state's unemployment compensation trust fund. Check our website for the [current rate schedules](#).

Employers who acquire an existing business may apply for the experience record of the previous owner. If the experience record is transferred, the new owner is also held accountable for any benefits paid to the previous owner's workers. In certain cases, such as those where common ownership and/or control exist, the transfer of the experience record may be mandatory.

The maximum amount of each worker's wages subject to taxation determined yearly and equals 70% of the calculated statewide average annual payroll.

Some entities, such as government, tribal or 501(c) 3 organizations, have the option of financing benefits by reimbursement rather than the payment of taxes. Under this method, the employer reimburses the trust fund each quarter for all benefits paid to the employer's former workers. Employers selecting this option should be aware that the waiving of charges that applies under certain conditions to tax-rated employers does not apply to reimbursing employers.

Responding to Claim Notices

An unemployed worker may file a claim for benefits by filing online on our website, www.jobsnd.com or calling 701-328-4995. The qualifying claimant's most recent employer and all employers who paid wages on which the claim is based (base period employer), are notified that a claim has been filed. If the claimant has been separated from your employment for any reason other than lack of work, **return the notice with full details about the separation to protect your appeal rights.**

If you are the claimant's last employer, you will be notified whether or not the reasons for separation from your employment are disqualifying. If you are the claimant’s base period employer, you will be notified whether or not your account will be charged for the benefits paid to former employees. If any benefits are charged to your account for any calendar quarter, you will receive a notice detailing those charges.

Your Right to Appeal

Employers have the right to appeal determinations and decisions made by Job Service. An appeals referee conducts a hearing where all interested parties are given an opportunity to present evidence in support of their position. The appeals referee’s decision may be appealed to the Executive Director of Job Service. Decisions of the Executive Director may be appealed to District Court.

Where to Get Forms and Assistance

Check our Website: www.jobsnd.com, Call: 701-328-2814°Toll-free: 800-472-2952 ° TTY: Relay ND 800-366-6888
Write: Job Service North Dakota, Unemployment Insurance, Tax and Field Services, P.O. Box 5507, Bismarck, ND 58506-5507, Email: jsuits@nd.gov



REPORT TO DETERMINE LIABILITY

JSND/UNEMPLOYMENT INSURANCE

SFN 41216 (R. 10-06)

Job Service Use

EAN _____
 ST _____
 RE _____
 BY _____ FR _____
 RA _____ YR _____ -1 _____
 -2 _____ Q _____ STF _____
 SIC _____ AUX _____
 NAIC _____ AUX _____
 LOC _____ OWN _____

Check our Web Page at www.jobsnd.com

1. Business Name	3. Telephone Number
2. Corporate or Legal Name	4. Federal Employer ID (FEIN)
5. Mail Address (Number and Street, or P.O. Box, City, State, ZIP Code)	Internet Address (optional):
6. Street Address (Number and Street, City, State, ZIP Code) (If different from #5)	E-mail address hiring official (optional):
7. Indicate name of any other business operated in North Dakota by this ownership.	

8. Type of Ownership Individual Corporation Nonprofit Corporation Government Indian Tribe or Wholly Owned Entity of an Indian Tribe

Partnership _____ Limited Liability Company (LLC) _____
 (Indicate type: general, LP, LLP, etc.) (Indicate treatment for federal income tax reporting--corporation, partnership, etc.)

Cooperative Other (Describe) _____

In what state was your business originally incorporated/registered? _____ Date: _____

9. List the owner(s) and all partners or corporate officers. Also, any corporate director or employee having a 20 percent or more ownership interest. Attach separate sheet if necessary.

Name	Home Address	Title	Social Security Number*	% Owner

*In compliance with the Privacy Act of 1974, a Social Security Number is mandatory on this form pursuant to 20 CFR 666.150 and/or North Dakota Century Code 52-02-02. This number is used by Job Service North Dakota for identification, federal and state tax, program eligibility purposes and program performance accountability.

10. Date you first employed workers in North Dakota: _____

If you are a governmental entity, Indian tribe, or wholly owned entity of an Indian tribe, go to Question 17.

11. Did you acquire any part of the ND assets or business of another employer or change your business status/structure in any way? Yes No **If "yes" complete Schedule B.**

12. Are you liable for federal unemployment taxes (FUTA)? Yes No
 If yes, go to Question 18. You will be covered under North Dakota law as of the first day you employ workers in this state.

13. Are you a nonprofit organization exempt from income taxes under Section 501(c)(3), IRS Code? Yes No
If yes, complete this section and attach a copy of your exemption letter from the IRS.
 You need not complete sections 14 and 15.
 As a nonprofit organization, have you employed four or more persons during 20 weeks of any calendar year?
 Yes No If yes, date the 20th week was first reached. _____

Continued on back side

When answering Questions 14 and 15, include as employees all part-time workers and non-exempt (see Employer's Guide) corporate officers and limited liability company managers. Do not include spouse, children under 18 who live at home, or parents of an individual owner--this does not apply to corporations or limited liability companies. This exclusion applies to partnerships only if the worker has an exempting relationship with each partner.

14. Enter the amount of wages you **have paid** in North Dakota (do not estimate or include wages earned but not paid):

	Jan. 1 to March 31	April 1 to June 30	July 1 to Sept. 30	Oct. 1 to Dec. 31
Current Year _____	\$ _____	\$ _____	\$ _____	\$ _____
Preceding Year _____	\$ _____	\$ _____	\$ _____	\$ _____
Prior Year _____	\$ _____	\$ _____	\$ _____	\$ _____

15. During 20 weeks of any calendar year, have you employed:
 a. One or more persons in general employment? Yes No
 If yes, give date on which the 20th week was first reached: _____
 b. Ten or more persons in agricultural employment? Yes No
 If yes, give date on which the 20th week was first reached: _____

16. If it is determined that you are not now liable for coverage, do you want to become covered voluntarily? Yes No

17. Complete this section only if you are a governmental entity, Indian tribe or wholly owned entity of an Indian tribe, or a 501(c)(3) tax exempt organization and answered yes to either Question 13 or 16.

- Select one of the following benefit financing options:
- Reimbursement of benefit payments attributable to employment with your organization.
 - Payment of taxes on your quarterly taxable payroll at the rate applicable for new employers.
 - Advanced reimbursements at a percent of your quarterly total payroll to be redetermined annually.

18. Have any individuals you do not consider employees performed services for you in North Dakota? Yes No
 If yes, give reasons for excluding them and indicate number of persons involved. _____

19. Does any part of your business activity include the provision of "temporary" or "leased" workers to a client company? Yes No

20. Give a specific description of your business activity in North Dakota.

 Enter on separate lines the principal product or activities of your firm. Following each item, list the percentage of sales value or receipts received from the product or activity; i.e., retail men's clothing, electrical construction-residential, or long haul trucking-refrigerated van.
 _____ % _____ %
 _____ % _____ %

21. Business Locations: Enter the North Dakota addresses from which your employees work and indicate if the location is permanent or temporary. If you do not maintain an office in North Dakota, enter the employee's address.

Address	City	State	Zip Code	Phone	Perm.	Temp.

Remarks: _____

22. _____
 Contact Person Title Telephone Number Fax Number

 Signature of Authorized Representative Title Telephone Number Date

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

PLEASE PRINT, SIGN, AND MAIL TO JOB SERVICE NORTH DAKOTA

REPORT TO DETERMINE LIABILITY

SCHEDULE B - SUCCESSORSHIP QUESTIONNAIRE

Successorship Reporting Requirement. If you acquired all or part of the organization, business, trade, or assets of another employer and will continue essentially the same business activity, you must provide the following information. If you made multiple acquisitions, you must file a separate Schedule B for each acquisition.

UI Account Number, if already assigned

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Federal Employer Identification Number (required)

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PART 1: FORMER OWNER INFORMATION

Former Owner's Name	Former Owner's UI Number or FEIN, if known
Corporate Name or DBA	Area Code & Telephone Number
Current Street Address (not a P.O. Box)	City, State, ZIP

PART 2: ACQUISITION INFORMATION

- Did you acquire all, part or none of the former owner's assets?

<input type="checkbox"/> All	<input type="checkbox"/> Part	What percent? <input type="text"/>	Date acquired <input type="text"/>	<input type="checkbox"/> None
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- Did you acquire all, part or none of the former owner's workforce?

<input type="checkbox"/> All	<input type="checkbox"/> Part	What percent? <input type="text"/>	Date acquired <input type="text"/>	<input type="checkbox"/> None
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- Did you acquire all, part or none of the former owner's North Dakota trade (customers/accounts)?

<input type="checkbox"/> All	<input type="checkbox"/> Part	What percent? <input type="text"/>	Date acquired <input type="text"/>	<input type="checkbox"/> None
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- Did you acquire all, part or none of the former owner's North Dakota business (products/services)?

<input type="checkbox"/> All	<input type="checkbox"/> Part	What percent? <input type="text"/>	Date acquired <input type="text"/>	<input type="checkbox"/> None
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- Was the North Dakota business being operated at the time of the acquisition? If no, enter the date it was closed by the former owner.

<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="text"/> / <input type="text"/> / <input type="text"/>
		Month Day Year
- Are you continuing the North Dakota business you acquired?

<input type="checkbox"/> Yes	<input type="checkbox"/> No
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- Is your North Dakota business substantially owned or controlled in any way by the same interests that owned or controlled the former business?

<input type="checkbox"/> Yes	<input type="checkbox"/> No
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- Will the previous business/account continue in business in North Dakota?

<input type="checkbox"/> Yes	<input type="checkbox"/> No
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- If eligible, do you wish to continue the experience rating established by the acquired/previous business?

<input type="checkbox"/> Yes	<input type="checkbox"/> No
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If you do and are assigned your predecessor's tax rate, your new account will also be chargeable for any benefits payable to your predecessor's workers.

NDCC 52-04-08.2 provides for penalties in cases where the acquisition of a business is solely or primarily for the purpose of obtaining a lower unemployment insurance tax rate. Criminal and/or civil penalties apply.

Print Name of Owner/Officer	Title	
Signature of Owner/Officer	Telephone Number	Date