

WHEN WILL I RECEIVE MY TAX-RATE NOTICE FOR CALENDAR YEAR 2003?

Your Notice of Employer Tax Rate for 2003 was mailed to you in November. Historically, the reports for the first calendar quarter have the most errors because many businesses do not apply their new rate. If your tax rate for calendar year 2003 has changed, please notify your tax preparer or payroll representative.

WILL I BE ABLE TO APPLY A TAX CREDIT DURING 2003?

Due to the level of the Unemployment Insurance Trust Fund, the 20 percent tax credit will not be in effect during calendar year 2003. Please prepare your tax reports with this in mind and remember to advise your tax preparer or payroll representative.

HOW LONG DO I NEED TO RETAIN MY WORK RECORDS?

The *Colorado Employment Security Act* 8-72-107(1) requires you to maintain accurate work records for a period of not less than five years. These records need to be available for inspection if you are audited by the Department.

Businesses are randomly selected for an audit. If your business is selected, the auditor will contact you to set up an appointment.

DO I PAY TAXES THAT ARE LESS THAN \$5?

For tax reports filed for calendar years 2002 and 2003, if your quarterly amount of taxes due is less than \$5, you should not submit a payment.

NOTE: You must file a tax and wage report even if your quarterly taxes due are less than \$5.

ARE YOU INTERESTED IN REDUCING YOUR UNEMPLOYMENT INSURANCE TAXES?

We conduct audits of individuals who have claimed unemployment insurance (UI) benefits by comparing the UI benefits they received against the wages reported on your quarterly wage reports. We will send you the Form B-144, Request to Employer for Earnings Data, when we determine that UI benefits were paid during the same quarter that wages were reported by an employer. This situation may be perfectly legitimate; but, in order to audit the claim properly, we must have the specific weeks identified in which wages were paid. The information you provide us on the Form B-144 helps us discover fraud issues.

Please complete the Form B-144 when it is sent to you. Help us preserve the integrity of the UI Program and safeguard the UI Trust Fund. If a fraud overpayment is established and your account was charged for the UI benefits involved in the overpayment, your account will be issued a **credit**. This will keep your UI taxes as low as possible.

HOW OLD IS YOUR COLORADO EMPLOYMENT SECURITY ACT?

The 2002 publication of the *Colorado Employment Security Act (CESA)* is now available. Articles 70 through 82 of Title 8 have been updated based upon the 2002 Legislative Session.

You can view the *CESA* as a Web-based or PDF document at <http://www.coworkforce.com/UIB/2002Cesa/default.asp>. To view the PDF document using Adobe Acrobat, you can download a free version of the Adobe PDF reader from this address.

If you prefer a paper version of the *CESA*, please contact Unemployment Insurance Operations, Tax by e-mail at unemp.tax@state.co.us or by calling 303-318-9100 (Denver-metro area) or 1-800-480-8299 (outside Denver-metro area).

A complete list of legislative changes that impact the *CESA* is provided in the publication. The following lists some of the changes that impact the 2002 publication of the *CESA* that may be of interest to you.

- House Bill 02-1331 authorizes the Colorado Department of Labor and Employment to accept and use electronic communications, transactions, and records. Electronic communication includes:
 - Hearing-officer decisions.
 - Notification of a claim being filed.
 - Deputy's decisions.
 - Industrial-claim-appeals notices.
 - Appeal protests.
 - Notices of redetermination decisions.
 - Employers' filing of tax reports.
 - Employers' filing a written protest of or requesting a review and determination of benefit charges.
 - Employers' filing for refunds and submitting account applications.

Our unemployment insurance online services can be accessed by visiting www.coloradoworkforce.com/ and clicking on eServices.

Send us an e-mail at unemp.tax@state.co.us.

- House Bill 02-1401 repeals the limited timeframe for which a qualified employer is eligible for an unemployment insurance tax credit. The tax credit had previously been a temporary credit through calendar year 2002.

NOTE: As previously mentioned in this newsletter, the 20 percent tax credit is not in effect during calendar year 2003 because of the Unemployment Insurance Trust Fund's balance.

ARE YOU INTERESTED IN THE RULES-MAKING PROCESS?

The Colorado Department of Labor and Employment (CDLE) conducted a public rules hearing on October 30. The rules, also known as *Regulations Concerning Employment Security*, are amended from time to time to reflect changes in CDLE's administrative procedures or to incorporate statutory changes.

The rules hearing on October 30 covered the following two items: Harmonize the *Regulations Concerning Employment Security* with the provisions of 8-76-101 (3), *Colorado Revised Statutes*, concerning quarterly taxes due that are less than \$5; and expand the methods for the division and its customers to conduct business through the use of technology.

The proposed amendments, as adopted at the hearing, will become effective on January 1, 2003. We will let you know when the updated publication of the *Regulations Concerning Employment Security* is available.

Notices regarding public hearings are published in the *Colorado Register* on the 10th of each month. CDLE also maintains a mailing list of parties interested in being kept abreast of our public hearings. If you or your representative would like to be added to our mailing list, contact the Unemployment Insurance Staff Services Branch at

303-318-9300. We are in the process of setting up an e-mail address for you to use, and we will let you know that address in our next newsletter.

WHEN DOES THE 2003 LEGISLATIVE SESSION BEGIN?

The 2003 Legislative Session will begin January 8, 2003. The Colorado General Assembly's Web site is a great source of information. If you are interested in what is happening in Colorado's legislation, please visit their Web site at http://www.state.co.us/gov_dir/stateleg.html.

WHAT IS AVAILABLE IN THE INTERNET WORLD OF UNEMPLOYMENT INSURANCE?

Tax and Wage Reporting

The number of employers that use the Internet to file their quarterly tax and wage report is growing. Online tax and wage reporting first became available in 2001. By the end of calendar year 2001, 3 percent of employers used this method of reporting their employee wages. As of October 24, 2002, 7 percent of employers used this online application for calendar year 2002.

We encourage you to file your tax and wage report by visiting www.coloradoworkforce.com and clicking on eServices. Remember, if you have 100 or fewer employees to report, you may use this online method to report your current quarter's wages.

Employer Change-of-Business Address

If you need to change your location, mailing, payroll, banking, or benefits address, this Web page is the one for you. It is available 24 hours per day, 7 days per week. You can change your address online and immediately submit your change for processing.

UI Quarterly News



Colorado Department of Labor and Employment
Unemployment Insurance Operations, Tax
P.O. Box 8789, Denver, CO 80201-8789
303-318-9100 (Denver-metro area)
1-800-480-8299 (outside Denver-metro area)

Bill Owens
Governor



Vickie L. Armstrong
Executive Director

Our unemployment insurance online services can be accessed by visiting www.coloradoworkforce.com/ and clicking on eServices.

Send us an e-mail at unemp.tax@state.co.us.