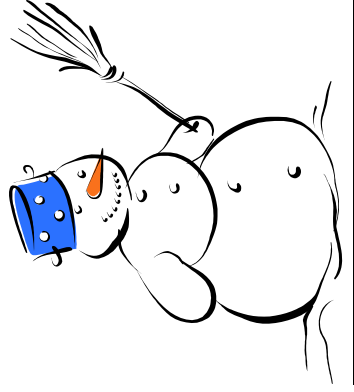


UI Quarterly News

4th Quarter 2004



Reminder: The *UI Quarterly News* is no longer being mailed. The most current information regarding unemployment insurance, including current and previous newsletters, is available via the Internet at www.coworkforce.com/UII/.

Hard copies are available through Unemployment Insurance (UI) Operations at:

303-318-9000 (Denver-metro area)

1-800-480-8299 (outside Denver-metro area)

Colorado Department of Labor and Employment

Unemployment Insurance Operations

P.O. Box 8789, Denver, CO 80201-8789

303-318-9100 (Denver-metro area)

1-800-480-8299 (outside Denver-metro area)

www.coloradoworkforce.com/



Bill Owens
Governor

Jeffrey M. Wells
Executive Director

CHANGES IN TAX RATES FOR 2005

In accordance with the *Colorado Employment Security Act (CESA)* 8-76-102 (5)(a), the calendar year 2005 combined tax rate will include a solvency tax surcharge for all ratable employer accounts. 2005 is the second year the solvency tax surcharge is being assessed. The solvency tax surcharge is assessed and added to the standard or computed tax rate when the Unemployment Insurance (UI) Trust Fund balance, on any June 30, is equal to or less than nine-tenths of one percent of the total wages reported by all ratable Colorado employers for the calendar year or the four-consecutive quarters prior to the last computation date. The surcharge increases in yearly increments as established by *CESA* 8-76-102 (5)(a) until the UI Trust Fund balance is greater than nine-tenths of one percent of the total wages. The solvency tax surcharge cannot exceed the rate limits set forth by *CESA* 8-76-102 (5)(b).

The UI Trust Fund is at a monetary level such that the base tax rate for calendar year 2005 is moving four tax-rate schedules, increasing tax rates for most employers. Notification via Form UITR-7, Notice of Employer's Tax Rate, was mailed in November 2004. Form UITR-80, Notice of Tax Rate and Solvency Tax Surcharge for Calendar Year 2005, was included as an insert with the tax-and-wage-report packets for the third quarter of 2004. Form UITR-80 is also posted on the [UI Tax](#) home page along with a more detailed explanation of tax rates titled "Solvency Tax Surcharge and Its Impact on Tax Rates for Calendar Year 2005."

NEW TAX RATES

All employers will receive Form UITR-7, Notice of Employer's Tax Rate, by December 2004. The notice contains your new tax rate for calendar year 2005. Do **not** use your 2005 tax rate when calculating taxes for the fourth quarter of 2004.

INTERNET FILING OF TAX-AND-WAGE REPORTS

After the Benefits release, employers will be able to provide wage information for an unlimited number of employees when filing the quarterly tax-and-wage report on the [Colorado Department of Labor and Employment](#) Web site. Currently, you can file wage information for up to 100 employees. With the Benefits release, in addition to the ability to file wages for an unlimited number of employees, **seasonal** employers will have the capability to file tax-and-wage reports online.

EMPLOYER IDENTIFICATION NUMBER

The existing employer account number is being renamed the unemployment identification number (UID). With the Benefits release of the SUPER system, all new correspondence will be designed with the new UID. The current employer account number is nine digits with a dot and a dash. Two additional digits are added to the UID, for an 11-digit number. The format of the UID is strictly numerical. A dot or dash is not used. (Please note that descriptions of the UID format in previous newsletters included a dot and dash in the example.)

EXAMPLE: If the current 9-digit account reads 123456.78-9, the new 11-digit number will read 01234560789.

NOW IS THE TIME TO UPDATE YOUR MAILING AND LOCATION ADDRESSES

In the coming months, Unemployment Insurance (UI) Operations will be mailing important information to the **mailing address** and **location address** of record for all employers. Included in items to be mailed is a personal identification number (PIN), which will be required to perform maintenance functions on your account through our Web site. To ensure that you receive this information, it is important that the **location address** not be for a Power of Attorney or Tax Services Group. To verify that UI Operations has your correct mailing and

location addresses, call 303-318-9100, or visit <http://www.coworkforce.com>. Select the [E-Services](#) link. Then select the [Employer-Change-of-Business-Address](#) link.

NEW TAX-AND-WAGE REPORTS

If you plan to submit tax and/or wage reports on forms developed by a software vendor for use with the new State Unemployment Program E-government Resource (SUPER) system, we cannot guarantee that UI Operations will accept these forms unless the replicated forms have been submitted for testing and approval. Without approval, forms developed by vendor companies cannot be ensured to conform to the requirements of the new SUPER system and may be rejected. It is ultimately your responsibility to submit tax-and-wage reports on forms acceptable to UI Operations.

CONSTRUCTION AT 251 EAST 12TH AVENUE

The Colorado Department of Labor and Employment's office building at 251 East 12th Avenue is currently undergoing renovations. The lobby area is scheduled to be under construction from December 20, 2004 through April 30, 2005. Individuals scheduled to attend an appeal hearing during the renovation are encouraged to participate via telephone due to space limitations. If you choose to attend an appeal hearing in person during this time period, please be aware that there will be limited parking and waiting space.

SUBMISSION OF FORM UIS-339, REQUEST FOR JOB-SEPARATION INFORMATION

Upon release of the State Unemployment Program E-government Resource (SUPER) system Benefits phase, Form UIS-339, Request for Job-Separation Information from Employer, will replace Form UIB-290, Request for Job-Separation Information. Form UIS-339 will contain a unique correspondence number and bar code. This bar code **cannot** be

reproduced or reused; therefore, the original Unemployment-Insurance-Program-generated form **must** be returned.

SUPER SYSTEM UPDATES

Current information about the State Unemployment Program E-government Resource (SUPER) system is available on the [SUPER System Information](#) Web page. Visit this Web page by clicking on the [SUPER System Information](#) link that is posted on the [Colorado Department of Labor and Employment](#) Web site at www.coloradoworkforce.com/UI/.

NOTE FOR SEASONAL EMPLOYERS

In the past, there seems to have been some confusion about seasonal workers and seasonal-employer status. Remember that a worker who works even one day outside your designated seasonal period ceases to be a seasonal worker and could be entitled to receive unemployment insurance benefits based on **all** the wages you have paid during the base period, not only on the wages you have paid outside your seasonal period (*Colorado Employment Security Act* 8-73-106 [2]). This loss of designation as a seasonal worker is not necessarily permanent. If you employ the worker only during your next two designated seasonal periods, the worker becomes a seasonal worker again. Please be aware that, so long as you comply with the provisions of the law as outlined in the documents you received when seasonal status was granted, you do not lose your status as a seasonal employer even when some of your employees are not considered seasonal workers.

REMINDER

Please do not submit quarterly unemployment insurance tax **payments** that are less than \$5.00. However, quarterly tax-and-wage reports must be submitted regardless of the amount owed.

QUESTIONS OR CONCERNS?

To contact us, call 303-318-9100 (Denver-metro area) or 1-800-480-8299 (outside Denver-metro area). For tax questions and issues related specifically to your account, send e-mail inquiries to unemp.tax@state.co.us.

Send comments or questions related to the *genesis* Project and the State Unemployment Program E-government Resource (SUPER) system through the *genesis* Employer mailbox at uiemployerinquiry@state.co.us. For issues not related to the SUPER system or the *genesis* Project, please continue to use the unemp.tax@state.co.us e-mail address for faster service. For questions relating to the *Colorado Employment Security Act* or the *Regulations Concerning Employment Security*, please send e-mails to unemp.tax@state.co.us.