

UI Quarterly News 1st Quarter 2008

REMINDER: The *UI Quarterly News* is published on the Internet. The most current information regarding unemployment insurance, including current and previous newsletters, is available at www.coworkforce.com/UIT/; click on **UI Tax Newsletter**.

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.coworkforce.com

Bill Ritter, Jr.
Governor



Donald J. Mares
Executive Director

COLORADO EMPLOYMENT SECURITY ACT FOR 2007 AND REGULATIONS CONCERNING EMPLOYMENT SECURITY

As part of a greening initiative, the Unemployment Insurance (UI) Program has taken steps to reduce the need for hard copies of the Colorado Employment Security Act (CESA) 2007 and Regulations Concerning Employment Security (RCES). New features have been added to the online versions of CESA and RCES and are now available online at www.coworkforce.com/UIT. Click on **Colorado Employment Security Act (CESA)** or **Regulations Concerning Employment Security**. Existing features have been improved as well. Improvements include the addition of:

- A main, introductory page with links to every article or part.
- A contents page at the beginning of each article or rule with links to each legal citation within the article or regulation within the part.
- Hyperlinks for references to another legal citation or regulation within the text of CESA or RCES.

Although the UI Program encourages use of the online CESA and RCES, hard copies can be ordered by sending an e-mail with your name and address to UI Operations at unemp.tax@state.co.us.

NEW MINIMUM WAGE RATES

Effective 01/01/2008, the minimum wage for Colorado employees increased from \$6.85 per hour to \$7.02 per hour. The minimum wage rate for employees who regularly receive tips increased from \$3.83 per hour to \$4.00 per hour. In accordance with the Colorado Constitution, the Colorado minimum wage is adjusted annually for inflation as measured by the Colorado Price Index used for Colorado.

For more information about the minimum wage and inflation adjustment process in Colorado and to view a Colorado Minimum Wage Fact Sheet, go to www.coworkforce.com/lab/minimumwagefactsheet.pdf.

UI Operations receives the Form CR-0100, Colorado Business Registration, from employers who are not yet liable to pay UI taxes. In the past, UI Operations has issued Colorado Employer Account Numbers to employers who have not yet established liability. In order to comply with CESA 8-76-107, UI Operations cannot assign a Colorado Employer Account Number until the employer becomes liable. An employer who is found to be not liable to pay UI taxes will have their Colorado Business Registration returned.

To become liable, an employer must have:

- Paid wages of at least \$1,500 during any quarter in the current or preceding calendar year.
- or -
- Employed at least one individual as an employee, for some portion of a day, for 20 weeks in the current or preceding calendar year.

TAX RATE NOTICES AND PAYMENTS FOR CALENDAR YEAR 2008

Form UITR-7, Notice of Employer's Tax Rate, was mailed to all employers in December 2007. This notice contains your new tax rate for calendar year 2008. Use the 2008 tax rate for the tax report that is due by 04/30/2008. If you use a payroll company, please forward the Notice of Employer's Tax Rate to the payroll company.

Quarterly tax-and-wage reports must be submitted by the due date regardless of the amount owed. Please do not pay quarterly UI taxes that are less than \$5. Remember to make all checks payable to the Colorado State Treasurer.

PUBLICATION UI-266, UNEMPLOYMENT INSURANCE HANDBOOK FOR EMPLOYERS

An updated version of Publication UI-266, *Unemployment Insurance Handbook for Employers*, is available on the UI Tax Web site at www.coworkforce.com/UIT. Click on **Employer's Handbook**. Look for updated information about UI tax forms, procedures, and policies.

ADDRESS-CLEANSING SOFTWARE

The UI Program purchased an address-verification software suite from QAS Ltd, an Experian® company. The UI Program will implement the QuickAddress Software (QAS) during spring 2008. QAS will help reduce returned mail from claimants and employers as well as aide in addressing UI Program correspondence more accurately.

QAS provides real-time address verification when an address is entered into a UI Program application. It also regularly validates addresses maintained in the UI Program databases.

CORRECT MAILING ADDRESS AND BUSINESS STATUS CHANGES

RCES 7.2.7 requires that address or ownership changes are reported within ten days. Prompt notification of address changes helps to ensure you receive important forms and information regarding UI taxes and benefits in a timely manner.

To update your address online for location, mailing, benefit mailing, owner, or bank information, go to UI Employer-Change-of-Business-Address Web site at <https://secure.cdle.state.co.us/BusInfoChg/>.

You can also change your mailing address by downloading and mailing Form UITL-2, Employer Change Request, at www.coworkforce.com/UIT/forms/UITL_2EmpChgReq.pdf. Follow the instructions to complete the form, sign, and return it.

You may also call or e-mail UI Operations at unemp.tax@state.co.us to request an Employer Change Request.

If you have sold your business or changed the status of your business, you must download the Employer Change Request. Follow the instructions to complete the form, sign, and return it. If you do not have access to the Internet, call the Customer Contact Center at 303-318-9100 (Denver-metro area) or 1-800-480-8299 (outside Denver-metro area).

QUESTIONS OR CONCERNS?

For UI tax questions and issues related to your account, e-mail at unemp.tax@state.co.us. You may also call 303-318-9100 (Denver-metro area) or 1-800-480-8299 (outside Denver-metro area).

BILL RITTER, JR.
Governor

DONALD J. MARES
Executive Director

MICHAEL J. MCARDLE
Director of Labor



DEPARTMENT OF LABOR AND EMPLOYMENT DIVISION OF LABOR

Main: 633 17th Street, Suite 200 Denver, CO 80202-3660
Telephone (303) 318-8441 Toll Free 1-888-390-7936

Colorado Springs: 1259 Lake Plaza Drive, Suite 120, Colorado Springs, CO 80906
Telephone (719) 576-0447 Fax (719) 576-0451

<http://www.coworkforce.com/lab>

Colorado Minimum Wage Fact Sheet

November, 2007

[This information is subject to change and does not constitute legal advice.](#)

Background

Article XVIII, Section 15, of the Colorado Constitution requires the Colorado minimum wage to be adjusted annually for inflation. This fact sheet describes the minimum wage and inflation adjustment process.

Colorado State Minimum Wage

- January 1, 2007, increased to **\$6.85** per hour.
- January 1, 2008, will increase to **\$7.02** per hour.
- January 1, 2009, and in subsequent years, is adjusted annually according to the process described below.

Tipped Employees Minimum Wage (employees who regularly receive tips)

- January 1, 2007, increased to **\$3.83** per hour (\$6.85-\$3.02).
- January 1, 2008, will increase to **\$4.00** per hour (\$7.02-\$3.02).
- January 1, 2009, and subsequent years, is computed by subtracting \$3.02 from the adjusted minimum wage.

No more than \$3.02 per hour in tip income may be used to offset the minimum wage of tipped employees.

Inflation Adjustment Process

In accordance with the Colorado Constitution, the Colorado minimum wage is adjusted annually for inflation as measured by the Consumer Price Index used for Colorado. The inflation adjustment is based on the Consumer Price Index for All Urban Consumers (CPI-U), All Items, for the Denver-Boulder-Greeley combined metropolitan statistical area as published by the [United States Bureau of Labor Statistics](#) (BLS).

The CPI-U increased 2.5 percent from the first half of 2006 to the first half of 2007, which results in the new minimum wage of \$7.02 per hour effective January 1, 2008. The August 15, 2007, BLS [press release](#) provides additional details on the Consumer Price Index data used in the minimum wage adjustment.

Subsequent annual minimum wage calculations will be identical and will compare changes in the CPI-U from the first half of the preceding year with the first half of the current year to calculate a new minimum wage for the next year.

For example, changes observed in the CPI-U from the first half of 2007 to the first half of 2008 will be used to calculate the minimum wage effective January 1, 2009. It is anticipated that data for future minimum wage adjustments, as provided by the BLS, will be available to the public in mid-August preceding each January adjustment.

Who Must Receive Minimum Wage

The minimum wage shall be paid to employees who receive the state or federal minimum wage. Article XVIII, Section 15, of the Colorado Constitution has not altered the coverage of employers, or the exemption of certain employees, from state or [federal](#) wage and hour laws.

Filing Complaints

The Division of Labor may accept complaints regarding non-payment of minimum wage. Visit www.coworkforce.com/lab, or call 303-318-8441 for information on how to file a complaint. The Division of Labor cannot investigate complaints regarding termination, interview, selection, or promotion disputes, reductions in work hours, or disputes pertaining to other terms and conditions of employment. You may wish to contact an attorney for legal guidance on these topics.

Federal Law and Additional Resources

Contact the U.S. Department of Labor for information on federal workplace laws. Visit www.dol.gov or call 720-264-3250 for more information. The Advisory Bulletins and Resource Guide, produced by the Division of Labor, is a comprehensive guide to Colorado labor and employment laws. Click [here](#) to access the guide.

Text of Colorado Constitution, Article XVIII, Section 15

Effective January 1, 2007, Colorado's minimum wage shall be increased to \$6.85 per hour and shall be adjusted annually for inflation, as measured by the Consumer Price Index used for Colorado. This minimum wage shall be paid to employees who receive the state or federal minimum wage. No more than \$3.02 per hour in tip income may be used to offset the minimum wage of employees who regularly receive tips.