

Seven Ways to Protect Your Unemployment Insurance Account



"Idaho's Unemployment Insurance program is financially sound thanks to the efforts of businesses that follow the law and pay their taxes on time. Don't put your business at risk. Protect your unemployment insurance account and help keep Idaho's business costs competitive."

-Roger B. Madsen, Director

- **Respond to information requests on time.** Responding promptly to important information requests, such as the Claimant Separation Statement and the Weekly Earnings Request, can save you money and protect your experience rating.
- **Remember to register your business.** Failing to submit an Idaho Business Registration form within six months after becoming a covered employer may result in a \$500 penalty. Learn more about how to register at business.idaho.gov.
- **File true and accurate employment reports.** Employers who fail to file or file false unemployment reports may be fined up to \$250 or 100 percent of the amount due, whichever is greater.
- **Pay your Unemployment Insurance taxes on time.** Businesses that are late paying quarterly Unemployment Insurance taxes will be penalized 4 percent of the amount due or \$20, whichever is greater. The charge will be added for each month tax payments remain overdue. Checks that are not honored by a financial institution are now subject to a \$20 penalty.
- **Make sure your account is paid in full.** When liens are filed on an unpaid tax liability, interest will begin to accrue along with the late penalty. This is a change from the past when the late penalty would stop accumulating once interest began. Interest charged on past due amounts is 1½ times the statutory rate. Interest rates may change annually.
- **Make sure your reports are complete.** Employers who make false statements, fail to disclose material facts or are a party to false or fraudulent benefit claims will pay a penalty equal to 10 times the weekly benefit amount paid to the claimant.
- **Know the law.** Did you know it is illegal to move employees to another entity, such as a newly formed company, in order to manipulate experience ratings? This is called SUTA (State Unemployment Tax Act) dumping. Businesses that engage in SUTA dumping or anyone who advises an employer to engage in SUTA Dumping will pay up to a \$5,000 fine and may face prosecution.

New laws effective July 1, 2005, mean businesses that fail to submit accurate reports or pay Unemployment Insurance taxes on time will incur stiffer penalties. If you know of a company that is filing false reports or illegally moving employees to manipulate an experience rating, you can anonymously call our toll free hotline at 800-448-2977, ext. 3256 or visit our Web site: labor.idaho.gov.