INDIANA
WORKFORCE
DEVELOPMENT
AND ITS WorkOne CENTERS

TO: Indiana's Workforce Investment System

FROM: Teresa L. Voors
Commissioner, Indiana Department of Workforce Development

THROUGH: Scott Sanders
Chief Financial Officer

DATE: January 2, 2009

SUBJECT: DWD Policy 2008-16
Employer Unemployment Insurance Tax Contribution Reports

Purpose
To further explain the requirements of employer unemployment insurance tax contribution reports

Rescission
None

Contents
In the interest of ensuring employer information is tracked regularly and thoroughly, this Indiana Department of Workforce Development (IDWD) policy sets forth requirements for all employers to submit a quarterly tax contribution report even when no tax contributions are due. Further, it establishes standards for the correction of errors once a quarterly contribution report has been filed with IDWD.

Nothing to Report
Every employer is required to send in quarterly tax contribution reports even when no tax contributions are due. If the employer finds that in a particular quarter no payroll has been incurred and no contributions are due, the employer is still required to file tax contribution reports. This report may be marked "Nothing to Report" in lieu of completing the report with zeros. These reports must be sent to the IDWD on a quarterly basis until IDWD grants written permission to the employer to discontinue filing.

Failure to file a report will result in a determination, made by IDWD, of the amount of the employer's quarterly wages and based on the best evidence reasonably available at the time, pursuant to IC § 22-4-11-4 and IC § 22-4-19-9.

Corrected Reports

Once a tax contribution report has been filed, it will not be returned to an employer for correction. When an error in the filing of a quarterly tax contribution report is discovered by either the employer or IDWD, the employer must submit a detailed explanation indicating the reason for the error. The explanation must include the following information for each employee affected:

1. name(s)
2. Social Security number(s);
3. amount reported;
4. correct amount; and
5. difference by quarters.

This adjustment may reflect either underpayment or overpayment of employer tax contributions to IDWD. If additional tax contributions are due by reason of underpayment, that sum plus interest, calculated from the due date, and penalty must be included with the report. If a credit or refund results from an overpayment, upon approval by IDWD, a credit memo will be issued, which should then be taken on the next quarterly report. If the amount of the credit or refund is greater than the amount due on the next quarterly contribution report, a claim for refund may be filed by the employer as provided by IDWD.

Claim for Refund

No claim for refund will be considered unless the employer files the claim on the form prescribed by IDWD. The claim must be completed by the person to whom the claim is alleged to be due or that individual's authorized agent. If the claimant is a corporation, the claim must be made in the name of the corporation and executed by an officer of the corporation. If the claimant is a fiduciary, the fiduciary must furnish a certified copy of appointment, which will accompany the claim for refund on contributions not paid in fiduciary capacity.

Penalty

There is a 10% penalty assessed for any underpayment. No penalty is assessed for overpayment at this time. There is a $25 fine per UC-1 or UC-5 report not filed.

Review Date

December 31, 2009

Ownership

Director of Unemployment Insurance Tax Administration
Indiana Department of Workforce Development
10 North Senate Avenue
Indianapolis, Indiana 46204
Telephone: 317.233.3150

Effective Date

January 1, 2009

Action

Indiana's workforce investment system will follow the guidance contained in this policy. Directors and managers will ensure that staff who work with this policy's subject matter are aware of the details contained in this policy and follow its guidelines.