



UNEMPLOYMENT INSURANCE EMPLOYER GUIDE

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INTRODUCTION

The primary mission of the Kentucky Career Center (KCC) is to help individuals prepare for, secure and maintain employment; to assist you in locating qualified workers for your job openings; and to provide income maintenance to ease the financial burden of workers who are unemployed through no fault of their own.

To accomplish its goals, KCC offers a broad range of services. These services are available at the central office in Frankfort or a handful of field offices located across the state.

KCC has been providing services since the passage of the Wagner-Peyser and Social Security Acts in 1933 and the Unemployment Insurance Act of 1935.

Unemployment Insurance (UI) provides short-term financial support to people when they are unemployed through no fault of their own. You, the employer, pay for this support through unemployment taxes on your payroll. What do you get in return? Directly, UI can help you keep valuable trained workers in your area until you are able to rehire them. However, the indirect returns are even more important. Every dollar you pay in state unemployment tax is used to pay benefits, and those benefit dollars are spent to purchase goods and services. Your taxes are recycled back into your local economy, which helps families and businesses alike.

UI is a joint federal-state program. Federal unemployment law places many requirements on the states concerning who must be covered and how benefits must be financed. The Kentucky General Assembly has enacted these and other laws, which govern the payment of unemployment taxes and benefits in this state. KCC's role is to see that these laws are carried out fully and fairly.

Whether you need to hire one or one thousand, KCC can help make job seekers aware of your needs. KCC has the largest, most diverse database of individuals seeking employment in the Commonwealth, and through our affiliation with the U.S. Department of Labor and its network of state employment security agencies, KCC offers access to the largest pool of potential workers in the nation.

KCC also has access to the best, most recent labor supply and demand data available. We can provide civilian labor force estimates, unemployment rates by county, affirmative action statistics, industry unemployment estimates, and average weekly wages.

For this and other information and assistance, please visit the Kentucky Career Center website at www.kcc.ky.gov.

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UNEMPLOYMENT TAX LIABILITY

ARE YOU LIABLE FOR UNEMPLOYMENT INSURANCE?

If you pay someone for services in your business, or to provide domestic help in your home, you may be liable to pay unemployment insurance tax. The requirements for liability vary for different types of employment:

FOR-PROFIT BUSINESS (other than agriculture) – You will be liable if you pay at least \$1,500 in gross wages in a single calendar quarter or if you have at least one worker performing service in any part of 20 different weeks out of a calendar year. It does not have to be the same workers in each week, nor do the weeks have to be consecutive.

AGRICULTURAL EMPLOYERS – You will be liable if you pay at least \$20,000 in gross wages in a single calendar quarter or if you have at least ten workers performing service in any part of 20 weeks out of a calendar year. They do not have to be the same ten workers in each week, nor do the weeks have to be consecutive.

DOMESTIC EMPLOYERS (work performed in a private home, including baby-sitting or care for the elderly or sick) – You will be liable if you pay at least \$1,000 in gross wages in a single calendar quarter.

ACQUISITION OF ALL OR PART OF AN EXISTING BUSINESS (which is already liable for unemployment insurance) – Generally, you will be automatically liable as a **SUCCESSOR** employer. See the section on “successorship” for more information.

501(C)(3) NOT-FOR-PROFIT ORGANIZATION – You will be liable if you employ at least four workers in the United States in any part of 20 weeks out of a calendar year. They do not have to be the same four workers in each week, and the weeks do not have to be consecutive.

STATE OR LOCAL GOVERNMENT EMPLOYER – You will be liable for any employment excluding elected officials and certain other exclusions. Contact the Tax Enforcement Branch at (502) 564-2272 for more information.

FEDERAL & OUT-OF-STATE LIABILITY – If you are liable in any state or liable for federal unemployment tax, you are automatically liable for employment in Kentucky.

PREVIOUS LIABILITY IN KENTUCKY – If you did not sell your former business or otherwise terminate your account, you are automatically liable upon resuming employment.

ARE ALL TYPES OF EMPLOYMENT AND SERVICES COVERED FOR UNEMPLOYMENT INSURANCE PURPOSES?

Most employment is covered and must be reported for unemployment insurance purposes, but there are exceptions. Following are some of the types of employment, both covered and non-covered, about which are most often asked.

Examples of COVERED EMPLOYMENT:

Both FULL-TIME and PART-TIME employment is covered. TEMPORARY or SEASONAL employment is also covered. Even if the worker knows that a job is temporary, the work is covered unless it is otherwise excluded (see below).

The service of CORPORATE OFFICERS is covered. This includes officers of Subchapter S corporations and members of Limited Liability Companies (LLCs) that have elected to be treated as corporations for federal tax purposes. Officers of corporations may qualify for benefits if they become unemployed through no fault of their own.

Examples of NON-COVERED EMPLOYMENT:

FAMILY MEMBERS: In PROPRIETORSHIPS, service performed by the spouse, parent or child (below the age of 21) of the proprietor is non-covered. In PARTNERSHIPS, service is non-covered if the worker is a spouse, parent or child (below the age of 21) of EACH PARTNER (example, the parent of one partner and the spouse of another). There are no family exceptions for CORPORATIONS.

CO-OP STUDENTS are exempt (non-covered) as long as they are enrolled in school and are receiving academic credit for the work performed. A co-op student who continues to work between school terms will be covered during those periods.

INSURANCE SALESPeOPLE are exempt if they are paid solely by commission.

CHURCH EMPLOYEES are exempt. However, independent businesses conducted on church property (e.g. day care centers) may be covered if not part of the church ministry.

Employees age 18 or younger who distribute NEWSPAPERS or SHOPPING GUIDES are exempt.

Payments for CASUAL LABOR not in the employer's normal course of trade or business (example: mowing grass; washing windows on business properties; etc.) are non-covered unless the payments are more than \$50 in a calendar quarter and such service is performed by an individual who is regularly employed by the employing unit to perform such service. The worker shall be deemed to be regularly employed by the employing unit during a calendar quarter only if: (a) On each of some 24 days during the quarter, the worker performs for the employing unit for some portion of the day service not in the course of the employing unit's trade or business; or (b) The worker was regularly employed by the employing unit in performance of the service during the preceding calendar quarter.

Certain other exclusions apply in schools, hospitals, not-for-profit and government employment. Contact the Tax Enforcement Branch if you have any questions regarding the coverage of a particular type of employment.

WHAT IF I USE INDEPENDENT CONTRACTORS (CONTRACT LABOR) AND ISSUE 1099S FOR SERVICE INSTEAD OF HIRING EMPLOYEES?

Independent contractors are self-employed and employers do not have to report them for unemployment insurance purposes. However, there are specific requirements that a worker has to meet to be considered an independent contractor and **many covered employees are misclassified as independent contractors!** The Office of Unemployment Insurance (OUI) determines whether an individual worker is an employee or independent contractor based on “common law” rules. For example, we may classify a worker as an independent contractor if:

He/she is in business for himself/herself and offers services to the public (ordinarily, advertises services in some fashion).

He/she provides services that are not in the normal line of business for the client for whom the services are provided.

He/she possesses a special skill or ability, and may require special tools which he/she provides, or if he/she performs services without additional training and/or supervision.

He/she usually provides services for a limited time (a single job) and is paid by the job rather than by the hour, etc.

These are general examples. Before OUI can make a formal determination of a worker’s status, we must review his/her particular relationship to the business for which he/she performs service.

By law, a worker cannot contract away his/her rights to unemployment benefits. Therefore, OUI may determine a worker to be an employee even if he/she has willingly entered into a contract to work as an independent contractor.

OUI makes determinations of covered employment subject to Kentucky unemployment insurance law. Determinations made by other agencies are not binding on OUI. “SAFE HARBOR” exemptions DO NOT necessarily apply to determinations made by OUI.

WHAT IF I USE LEASED EMPLOYEES OR TEMPORARY EMPLOYMENT SERVICES TO STAFF MY BUSINESS?

Under Kentucky unemployment insurance law, a worker cannot be carried on the payroll and reported by a business other than the one for which he/she performs services. This means workers obtained from EMPLOYEE LEASING companies must be reported by the business where the workers perform their services, NOT by the leasing company.

Workers obtained from a TEMPORARY EMPLOYMENT SERVICE to fill in for absent employees or to carry out a special project or function, are considered the employees of the temporary service and are not reportable by the business for which the services are provided. However, if the worker obtained from the temporary service performs a regular, routine job for an unspecified amount of time, the business for which the service is performed may be liable for reporting and paying tax on that worker. If you expect to use temporary employees, contact the UI Tax Enforcement Branch for a ruling on your liability for those workers.

IF I HAVE EMPLOYEES WORKING IN MORE THAN ONE STATE, HOW DO I DETERMINE WHERE TO REPORT THEM?

A worker is ordinarily reported to the state in which he/she performs services. If a worker performs services on a regular basis for the same business in more than one state, the law allows the employer to report all service (wages) to the state in which the business is located (or to the state where the worker is controlled), provided some service is performed in that state. However, if nearly all of a worker's service for an extended period is performed in a single state other than the state where the business is located, you may become liable in the state where the majority of the work was performed. Contact the unemployment tax office in each state where work will be performed to verify the reporting requirements for your type of work.

REPORTING REQUIREMENTS

HOW DO I APPLY FOR AN UNEMPLOYMENT INSURANCE ACCOUNT NUMBER?

First, do not apply until you have met one of the liability requirements listed on Page 1. Once you have met one of the requirements, you should apply as soon as possible. If you need proof of compliance with the unemployment law prior to beginning employment, contact the Tax Enforcement Branch at (502) 564-2272.

If you are a new business, agricultural or domestic employer, are applying to reopen an inactive account, or have recently acquired an existing business in Kentucky, you can apply online at <https://kewes.ky.gov>.

The screenshot shows the 'Office of Unemployment Insurance' website. The header includes the Ky.gov logo and the text 'An Official Website of the Commonwealth of Kentucky'. Below the header is a green navigation bar with the text 'Office of Unemployment Insurance' and links for 'Pay', 'Tax Information', 'Links', 'Contact Us', and 'Login'. The main content area is titled 'Kentucky's Unemployment Insurance Self-Service Web'. It features a map of Kentucky on the left and a list of actions employers can perform on the right. The list includes: 'Submit quarterly tax reports over the Internet through either an on-screen form or a file upload option', 'Retrieve information about the Kentucky Unemployment Insurance program', 'Pay taxes by Electronic Funds Transfer (EFT)', and 'Establish a new Unemployment Insurance Account'. Below this list is a section titled '2019 Updates and Changes' which contains several bullet points regarding contribution rates and FUTA credit. At the bottom, there is an 'Important Notice Regarding Contribution Rates' section.

Ky.gov An Official Website of the Commonwealth of Kentucky

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Career Training Employer

Office of Unemployment Insurance

Pay Tax Information Links Contact Us Login

Home /

Submit Quarterly Report
Employer Registration
TPA Registration
Close Employer Account
Request a Refund
Pay by EFT/Credit Card
Address Update
Report Misclassification or Fraud
Claim Separation Response (SIDES)
Wage Audit Response (UI-203)
Employer Documents

Site Enhancements and Electronic Reporting

Kentucky's Unemployment Insurance Self-Service Web

Employers may perform the following main actions:

- Submit quarterly tax reports over the Internet through either an on-screen form or a file upload option
- Retrieve information about the Kentucky Unemployment Insurance program
- Pay taxes by Electronic Funds Transfer (EFT)
- Establish a new Unemployment Insurance Account

2019 Updates and Changes

- 2019 Contribution Rate Notices were mailed out on December 1, 2018.
- 2019 Contribution Rates are set based on [Rate Schedule A](#). This is the lowest rate schedule since 2003.
- 2019 Contribution Rates will be reduced by an additional 0.075% for the [SCUF assessment](#). Your Contribution Rate Notice should display a "UI Rate" based on your calculated Reserve Ratio, an "Adjusted UI Rate" from the SCUF reduction, and a "SCUF Rate" that is set at 0.075%. Please utilize the Adjusted UI Rate and the SCUF Rate when calculating the total amount due on your quarterly report filings.
- 2019 [Taxable Wage Base](#) per worker will increase by \$300 to \$10,500 per worker. Please be sure to make this adjustment prior to filing your 1st quarter 2019 report during April 2019.
- Kentucky employers are eligible to claim the full [FUTA credit](#) of 5.40% when filing your 2018 IRS 940 Forms in January 2019. This will reduce your FUTA contribution rate to 0.60% (6.00% - 5.40%). The FUTA taxable wage base remains at \$7,000 per worker.

Important Notice Regarding Contribution Rates

During the 2018 Legislation Session, the General Assembly enacted the [Service Capacity Upgrade Fund \(SCUF\)](#), through HB 487, Section 139. Per KRS 341.243, all contribution rates beginning with the 3rd quarter of 2018 shall be reduced by 0.075%, in order to implement SCUF. There is no increase or decrease in the total amount of tax you will pay. This reduction will divert 0.075% of the contributions that would have been applied to your employer reserve account, and apply to SCUF. In addition, you will not be able to claim SCUF payments on your Federal Unemployment Tax filings. Below is an example of how your 2018 reporting periods will change:

Example established contribution rate for the 4th and 5th quarters of 2018 is:

4th Quarter	5th Quarter
0.60%	0.60%

Applying for a Kentucky Employer Identification Number (KEIN) will require a Federal Employer Identification Number (FEIN). Once you have entered and verified your FEIN, you will then set up your password and answer security questions. This is the password you will use (along with your KEIN) to file quarterly reports online.

Password and Security Questions Setup

Passwords must adhere to the following rules:

- At least one lowercase letter (a to z) and one uppercase letter (A to Z)
- At least one digit (0 to 9) and at least one special character (!, @, #, \$, %, ^, &, *)
- Password length must be between 8 (minimum) and 20 (maximum) characters as described above

Remember that the password created here will be used in the future in reference to this business for any other functions performed through this website, including but not limited to: address changes, refund requests, and quarterly filing and payments.

*Enter your Password

*Verify your Password

Please select security questions and answers

*Security Question #1	Please Select Question.....
*Security Answer #1	Security Answer #1
*Security Answer #1	Verify Answer #1
*Security Question #2	Please Select Question.....
*Security Answer #2	Security Answer #2
*Security Answer #2	Verify Answer #2
*Security Question #3	Please Select Question.....
*Security Answer #3	Security Answer #3

The next step is choosing your type of registration. You can see below that the choices are “New Business Registration”, “New Business Registration as a Successor”, “Registration to Reinstate your account”, and “Registration for a Letter of Good Standing”.

[Submit Quarterly Report](#)
[Employer Registration](#)
[TPA Registration](#)
[Close Employer Account](#)
[Request a Refund](#)
[Pay by EFT/Credit Card](#)
[Address Update](#)
[Report Misclassification or Fraud](#)
[Claim Separation Response \(SIDES\)](#)
[Wage Audit Response \(UI-203\)](#)
[Employer Documents](#)

[Site Enhancements and Electronic Reporting](#)

Employer Account Registration

- While completing the registration process, you may use the previous and next buttons to view or change the information you have entered.
- If you close the window to exit the application, all information will be lost and will not be saved.
- You will have the opportunity to print or save a PDF version of this registration at the end of the process.
- If you have any questions during the registration process or need assistance, please contact the **Unemployment Insurance Tax Status Department** at 502-564-2272 between the hours of 8:00 am and 4:00 pm EST.

Please select from the following options to proceed

- I am a brand new business in Kentucky. I did not purchase or acquire all or part of an existing business.
[>> New Business Registration](#)
- I am a brand new business in Kentucky. I have purchased or acquired all or part of an existing business.
[>> New Business Registration as a Successor](#)
- I already have an inactive Kentucky Employer Identification Number (KEIN) and I have now resumed employment and need to reinstate my account.
[>> Registration to Reinstate your account](#)
- I am applying to determine liability for an unemployment reserve account in order to obtain a letter of good standing for the Kentucky Secretary of State's office.
[>> Registration for Letter of Good Standing](#)

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If you are liable for unemployment insurance tax, you will receive a “Notice of Subjectivity” by mail assigning your KEIN. This is the number of your RESERVE ACCOUNT that you will use for reporting and paying unemployment insurance tax and should not be confused with any other numbers issued by the IRS or the Kentucky Department of Revenue. Your notice will include your SUBJECTIVITY DATE, which is the date from which you must begin to report wages and pay tax. This will be the date on which you began employment, or the first day of the year in which you became liable, whichever is later. The notice will also include your tax rate and will advise you of when your first tax report and payment will be due.

DO I NEED MORE THAN ONE ACCOUNT NUMBER AND TAX RATE IF I OPERATE MORE THAN ONE TYPE OF BUSINESS OR LOCATION?

You will only need one KEIN if the legal ownership of the business is the same for all locations. For instance, if you have one FEIN (one legal ownership, whether proprietor, LLC, or corporation) operating businesses from multiple locations.

If the legal ownership of the business locations is different (different legal ownership, whether proprietor, LLC, or corporation), making it a separate entity with a separate FEIN, you will be required to have a separate KEIN for each location and each entity will be required to report separately and will be assigned tax rates for each entity.

WHAT TYPE OF BUSINESS RECORDS DO I HAVE TO MAINTAIN?

It is important to know that both federal and state law requires that employers keep true and accurate records of all workers employed by them, including the wages paid to such workers. To adequately satisfy that an employer's employment and wage records reflect true and accurate data with respect to employment and wages paid to employees, investigations, or audits, by necessity, requires a reconciliation of the payroll data as contained in the employer's records with the accounting made by the employer in the general ledgers or other records. An adequate investigation, examination or audit also requires that the data reflected in the employer's records be reconciled with federal tax returns, social security reports, and federal unemployment tax returns.

Generally, the Office of Unemployment Insurance (OUI) requires that you be able to provide only routine payroll records. These include the beginning, ending, and pay date of each pay period and the total amount of wages paid for covered employment in each pay period. These records must also contain each worker's name and social security number, total wages paid to each worker during the pay period, total wages paid to each worker during the calendar quarter, and the date on which each worker was hired and terminated from covered employment. You should retain these records for at least six years.

In addition, you must retain weekly records on each employee showing the amount of wages earned, the number of hours worked, the number of hours of additional work available that was not accepted, and the rate of pay for such additional work. You are required by law to retain these records for two years.

You are required by law to make these records available for inspection by OUI auditors upon request. Whenever possible, our auditors will arrange to examine your records at your place of business (or where the records are usually kept) at a time convenient for you. All information you provide to OUI is strictly CONFIDENTIAL under state and federal law.

HOW DO I PAY MY UNEMPLOYMENT INSURANCE TAX?

When you become liable, you will be required to file a report for each calendar quarter for which you list your employees and their wages, and compute and pay tax based on your payroll.

Employers who have ten or more employees must file electronically. Employers with less than ten employees may also file electronically if they choose to do so. You can access the format specifications through our website at <https://kewes.ky.gov>. See the next section for more details.

If you choose to file on paper, you will complete form UI-3, "Employer's Quarterly Unemployment Wage and Tax Report". The UI-3 includes instructions that you should read carefully before you complete the report.

The Office of Unemployment Insurance (OUI) mails UI-3 forms to all Kentucky employers at the end of the quarter who reported in that manner in the previous quarter. If you file by paper, you should receive your paper UI-3 around the middle of the last month of the quarter. If you file your quarterly report online and pay by paper check, OUI will automatically send you a payment coupon. If you file your quarterly report online and pay by credit card or electronic check (EFT), you will no longer receive paper forms from OUI. Our electronic process ensures that your report and payment arrive together and are given the correct date of receipt. We encourage all employers to file their reports and pay online, and are happy to help you get started.

PLEASE REMEMBER: IT IS YOUR RESPONSIBILITY TO FILE THE REPORT EVEN IF YOU DO NOT RECEIVE A FORM FROM OUI.

MAY I FILE MY REPORT ELECTRONICALLY?

Yes, in fact, this is the preferred method for quarterly tax filings because it saves processing time and cost for both you and OUI. It is extremely safe and easy, and as noted in the previous section, it is required for employers with ten or more workers. One great improvement is confirmation numbers that are provided to you when filing electronic reports and payments, allowing you to reference those transactions should you need to contact us. Electronic filing and payments also guarantee that the receipt date is the submission date, eliminating the penalty and interest that can be caused by mailing in paper reports and checks, should they be delayed or lost.

You will find the secure Kentucky Unemployment Insurance Self-Service Website at <https://kewes.ky.gov>:

Kentucky's Unemployment Insurance Self-Service Web

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- 2019 [Taxable Wage Base](#) per worker will increase by \$300 to \$10,500 per worker. Please be sure to make this adjustment prior to filing your 1st quarter 2019 report during April 2019.
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If your established contribution rate for the 1st and 2nd quarters of 2010 is

In order to file your report via our website, you will first need your password (PIN) which you chose during the registration process. If you are already an established employer and do not know your password, you can obtain it by contacting the Tax Enforcement Branch at (502) 564-2168, or by email to UITax@ky.gov. Once you have accessed the website for the first time, you will have the opportunity to change your password. If you have not previously used our website for reporting, you will also have to answer some security questions.

Account Login

*KEIN or TPA number KEIN/TPA #

▪ Password

Log In

[Forgot your password?](#) or [Change your password](#)

Note: please enter the 8 or 9 digit Kentucky Employer Identification Number (KEIN) or Third Party Administrator Number (TPA) as shown on your report without spaces. [KEIN Examples](#)

Kentucky's Self-Service

https://kewes.ky.gov/Employertax/GetSecurityquestions.aspx

AppsSecretary of State LoginKHRS LoginBrassRing LoginSDOSSOS Organizational...Salary SearchSDOS DashboardDOL Performance...

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Office of Unemployment Insurance

PayTax InformationLinksContact UsLogin

Home /

Submit Quarterly Report

Employer Registration

TPA Registration

Close Employer Account

Request a Refund

Pay by EFT/Credit Card

Address Update

Report Misclassification or Fraud

Claim Separation Response (SIDES)

Wage Audit Response (UI-203)

Employer Documents

Site Enhancements and Electronic Reporting

Password Reset Security Questions

Please answer the following security questions that will be used to reset your password in the future if needed.

*Security Question #1

Please Select Question.....

*Security Answer #1

Security Answer

*Security Question #2

Please Select Question.....

*Security Answer #2

Security Answer

*Security Question #3

Please Select Question.....

*Security Answer #3

Security Answer

Please Note: security answers are case sensitive!

* denotes required field

Submit

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Once you log into the secure portion of the site, you will choose which method of electronic filing you prefer. Employers who wish to prepare formatted files (ICESA) for upload will choose Option 1. Those preferring to complete the report online will choose Option 2. Option 3 also utilizes the ICESA file format, but is for large payroll processors only. More information about these options is available on the site.

Submit Quarterly Tax Report

PLEASE REVIEW: OUR FILING OPTIONS HAVE CHANGED BELOW. IN ADDITION, ELECTRONIC PAYMENTS SHOULD BE MADE AFTER SUBMISSION OF YOUR REPORT

Please select one of the following three filing options to submit your quarterly tax and wage report(s) electronically.

- Option 1 - Single Employer File Upload**
This option is for employers who create reports using the ICESA format and wish to upload their file. This option will only allow for the submission of a single quarterly report from an individual company. After submission, the user will be directed to our Payment Portal by clicking on the "Pay Now" button, which will capture the total amount due from the report. This option allows for a seamless process between report filing and payment of your quarterly report.
Upload your tax report from an existing file: [Upload From File](#)
- Option 2 - Single Employer Online Form Entry**
This option is for employers who wish to manually enter their quarterly report information utilizing the online form for a specific quarter. This method is best used by employers who have a small workforce and should not be used by employers with over 250 employees. After submission, the user will be directed to our Payment Portal by clicking on the "Pay Now" button, which will capture the total amount due from the report. This option allows for a seamless process between report filing and payment of your quarterly report.
To open our online form please enter the quarter and year for which you would like to submit.
Quarter: Year: [Go to Online Form](#)
- Option 3 - Multiple Employer File Upload**
This option is reserved for third party administrators, payroll processors, CPAs and other tax service providers who are filing on behalf of their clients. Users must complete the online Third Party Administrator Registration in order to gain access to this option. This option will allow TPAs to file quarterly reports for multiple clients at once, using the ICESA format. After submission, the user will be directed to our Payment Portal by clicking on the "Pay Now" button, which will capture the total amount due for each individual account and will allow for a single payment for all accounts on the file. Electronic payments are required and payment amount cannot be more than or less than the total amount that is calculated due after submission.
(Note: If you need to file for a client that will owe taxes and you do not want to submit a payment on their behalf, please omit from your Option 3 file upload. You will need to file individually under Option 1. If your payment does not match the total amount due after file submission, the entire file upload will not be accepted nor processed.)
Upload a report from a payroll processor: [Upload Processor File](#)

If you prepare your report online (Option 2), the system will automatically provide the names and social security numbers of the employees reported in the preceding quarter. You can add new employees to the file, and you can indicate those employees no longer working for you (simply leave the wages blank). If you enter the gross and excess wages for each worker, the online filing system will complete the rest of the report for you.

HOW DO I PAY MY UI TAX IF I FILE ONLINE?

If you file your report electronically, you can pay your taxes by Electronic Fund Transfer (EFT) or credit card. To use either of these options, go to our website (see previous section), click on the "Pay" button at the top of the screen, and follow the directions. A non-refundable 3.5% processing fee is applied to all credit card transactions.

You also have the option of filing online and paying your taxes by regular remittance (check). If you received a payment coupon from the Office of Unemployment Insurance, return that with your remittance. If you have a preprinted UI-3 report form, return the BLANK report with your payment. **NOTE:** We use the blank report to identify your account for payment processing. **DO NOT** complete the UI-3 since you have already submitted your quarterly wage and tax data online. If you submit a completed UI-3 with your payment, we may process your information twice and you may receive a tax bill for your online report.

WHAT ARE GROSS WAGES FOR UNEMPLOYMENT REPORTING PURPOSES?

A wage is any payment made for services performed. This includes salaries, commissions and bonuses. It also includes the cash value of any payment in manners other than cash, unless paid in agricultural or domestic employment. Gross wages are reportable prior to any deductions or withholdings for other taxes or employee benefits. There are certain exclusions, including:

TRAVEL REIMBURSEMENTS are not wages as long as they do not exceed the actual out-of-pocket cost of the worker. Any excesses over actual expenses are wages.

The cash value of **ROOM AND BOARD** is not a wage if furnished on the employer's property and for a legitimate business reason.

SICK PAY is ordinarily wages. HOWEVER, sick pay is **not** considered wages if the payment is received under a **workers' compensation law**, or if the payment is made more than six (6) calendar months after the last calendar month of employment.

TIPS are wages only to the extent that they are reported by the worker to the employer in accordance with section 6053 (a) of the Internal Revenue Code.

RETIREMENT BENEFITS—KRS 341.030(4) (*represents payment(s) received after separation from employment*) -- Employers may establish plans making provision for workers in the event of retirement, sickness/accident disability or death. These include retirement plans, death benefits and insurance premiums paid to provide such coverage.

Retirement pay is defined as payments made upon the employee's termination due to retirement for disability, retirement after attaining an age specified in the plan established by the employer or in a pension plan of the employer as the age at which a person in the employee's circumstances is eligible for retirement.

Payments made by employers into such plans, or payments made to workers from such plans, are not considered wages **PROVIDED**:

- A. The plan makes provision for all of the employer's workers, OR for all of a class of workers (example; all salaried employees).
- B. The employee cannot elect to receive any part of the payment made by the employer instead of having it paid into the plan.

Insurance Premiums—Insurance premiums paid by the employer for coverage of a worker are NOT wages— if the following are true:

- A. The plan makes provision for all of the employer's workers, OR for all of a class of workers (example; all salaried employees).
- B. The employee cannot elect to receive any part of the payment made by the employer instead of having it paid into the plan.

Death Benefits— the employer should consider Death benefits wages if the employee is entitled to withdraw all or part of those benefits upon his/her withdrawal from the plan or termination of the plan.

Disability Benefits—Disability benefits are not considered wages.

“Cafeteria Plans – Section 125” 401(K) Plans and Deferred Compensation (*represents plans into which payments are made during employment*)—The Internal Revenue Code provides for employee benefit plans under which employees may elect to have employers divert a portion of their gross wages to purchase benefit coverage, in the process reducing their income subject to most federal and state payroll taxes.

Contributions to any of these benefit plans resulting in employee salary reductions ARE wages pursuant to Kentucky statute, KRS Chapter 341.

Matching or additional contributions made by an employer into such plans, on behalf of an employee, may or may not be considered wages. These contributions are considered wages **ONLY** if the employee may elect to receive payment prior to retirement or termination of employment because of age, sickness, accident, etc.

Payments made by an agricultural or domestic employer of the employee’s share of **FICA and MEDICAID** taxes are not wages.

TERMINATION or SEVERANCE PAY—Severance pay is not UI Reportable, because it is not considered money paid for services. (Reference KRS 341.030(1))

The employer, based upon a formula, or a contractual agreement, pays severance pay, sometimes referred to as Termination Pay, as well as other employer-determined terminology, to a worker. An example would be; many long-term employees receive severance pay based upon their length of service. Other employees may receive severance pay due to an agreement with the union or a clause of their employment contract, but it is not payment for services rendered.

Use of a **COMPANY CAR** is considered a wage to the extent reported to the IRS.

Many exemptions allowed under other tax laws are not applicable to unemployment insurance. Therefore, if you make some payment not covered above, contact the Tax Enforcement Branch to determine whether it should be reported as wages.

DO I PAY TAX, SURCHARGE, OR SCUF ON ALL GROSS WAGES?

No, you only pay unemployment insurance taxes on the taxable wage amount earned by each worker in a calendar year. This is known as the taxable wage base. The amount over this taxable wage base is referred to as EXCESS WAGES. You must report each worker’s entire gross wages each quarter. However, you may deduct the excess wages online (or on line 2 of the UI-3) so that you compute your tax, surcharge, or SCUF only on the taxable wage amount.

Beginning with the first quarter of 2014, a SURCHARGE of 0.22% of taxable wages was assessed. The surcharge rate for 2015 was 0.21%, as was 2016, with surcharge ending in the second quarter of 2016. The surcharge was assessed to secure funds for interest payments due on outstanding loans because of the insolvency of the Unemployment Insurance Trust Fund.

Beginning with the third quarter of 2018, SCUF (Service Capacity Upgrade Fund) was created. SCUF is designed to collect funds in order to modernize internal and external systems utilized by Unemployment Insurance. Employers will contribute to SCUF at a rate of 0.075% of their taxable wages, which will be removed from their UI tax rate. If an employer's rate were 2.7%, they would calculate SCUF at 0.075% and their regular UI tax at 2.625%. Therefore, there is no additional cost to the employer. Collection of SCUF will continue until the fund reaches \$60 million, or for five years, whichever occurs sooner.

The taxable wage base increased to \$9,000 in 2012, and may increase by \$300 each year until 2022. Refer to the chart below for your correct taxable wage base amount and surcharge amount for the year you are filing.

**TAXABLE WAGE BASE (TWB), SURCHARGE (SCHG),
SERVICE CAPACITY UPGRADE FUND (SCUF)**

All rates below are in percentages.							
Year	TWB	SCHG	SCUF	Year	TWB	SCHG	SCUF
2014	\$9,600	0.22	0.000	2017	\$10,200	0.00	0.000
2015	\$9,900	0.21	0.000	2018**	\$10,200	0.00	0.075
2016*	\$10,200	0.21	0.000	2019	\$10,500	0.00	0.075
*Surcharge ended with 2nd quarter of 2016.							
**SCUF began with 3rd quarter of 2018.							

The following example illustrates how excess wages are calculated and reported. Assume these wages are paid. Note: The 2013 taxable wage base of \$9,300 is used in this illustration. It is **bolded**. For years subsequent to 2013, replace with the taxable wage base of that year.

GROSS WAGES

	1 st Quarter	2 nd Quarter	3 rd Quarter	4 th Quarter
Employee A	\$10,400	\$10,400	\$11,500	\$12,000
Employee B	6,000	6,000	6,000	6,000
Employee C	<u> </u>	<u>3,000</u>	<u>6,000</u>	<u>3,000</u>
	\$16,400	\$19,400	\$23,500	\$21,000

1st Quarter Excess Wages:

Employee A	(\$10,400 minus \$9,300)	=	\$1,100
Employee B	no excess	=	0
Employee C	not employed	=	<u>0</u>
	Total Excess Wages	=	\$1,100

Your quarterly report should look like this:

GROSS WAGES	\$16,400
EXCESS WAGES	<u>\$ -1,100</u>
TAXABLE WAGES	\$14,000

2nd Quarter Excess Wages:

Employee A	all excess	=	\$10,400
Employee B	(\$6,000+\$6,000=\$12,000- \$9,300)	=	2,700
Employee C	no excess	=	<u>0</u>
	Total	=	\$13,100

Your quarterly report should look like this:

GROSS WAGES	\$19,400
EXCESS WAGES	<u>-\$13,100</u>
TAXABLE WAGES	\$6,300

3rd Quarter Excess Wages:

Employee A	all excess	=	\$11,500
Employee B	all excess	=	6,000
Employee C	no excess	=	<u>0</u>
	Total	=	\$17,500

Your quarterly report should look like this:

GROSS WAGES	\$23,500
EXCESS WAGES	<u>-\$17,500</u>
TAXABLE WAGES	\$6,000

4th Quarter Excess Wages:

Employee A	all excess	=	\$12,000
Employee B	all excess	=	6,000
Employee C	(\$3,000+\$6,000+\$3,000- \$9,300)	=	<u>2,700</u>
	Total	=	\$23,700

Your quarterly report should look like this:

GROSS WAGES	\$21,000
EXCESS WAGES	<u>-\$20,700</u>
TAXABLE WAGES	\$300

Pay careful attention to excess wages. Errors in calculating excess wages are the most common reason employers overpay their unemployment insurance taxes.

IT IS IMPORTANT TO REMEMBER THAT EVEN IF YOU HAVE NO TAXABLE WAGES TO REPORT, YOU MUST FILE YOUR QUARTERLY REPORTS WITH WAGE RECORDS FOR UNEMPLOYMENT INSURANCE BENEFIT PURPOSES.

WHEN IS MY UNEMPLOYMENT REPORT AND PAYMENT DUE?

Reports and payments are due and should reach the Office of Unemployment Insurance (OUI) by the last day of the month following the end of each quarter. For example, a report for the 1st Quarter (January – March) should reach OUI by April 30th. If that day falls on a weekend or a holiday when state offices or the post office are closed, the due date is moved forward to the next day that offices are open.

A first-time filer is required to file reports for all quarters since the subjectivity date.

WHAT HAPPENS IF I AM LATE REPORTING OR PAYING MY TAX?

OUI assesses INTEREST on any tax, surcharge, or SCUF the employer has not paid by the due date, at the rate of one and one-half (1 1/2) percent per month or any portion of a month.

OUI can assess interest for up to five years from the due date. At one and one-half percent per month for 60 months, that means OUI can charge up to 90 percent on late payments.

OUI assesses a PENALTY if an employer fails to file the report when it is due, whether or not any tax, surcharge, or SCUF is due. If you file a report within 30 days after the due date, you will be assessed a penalty of \$25.00; if you file more than 30 days late, you will be assessed a penalty of \$75.00. If you are late in filing more than once during the same calendar year, you will also be charged an additional penalty of \$100.00 for each additional report that is late. The total penalty chargeable for a year if all reports are more than one month late is \$600.00.

Regardless of the size of the business or the amount of tax due, OUI assesses penalties on all employers who file their reports late. Avoid penalties by filing on time, even if you cannot make the tax payment by the due date.

WHAT HAPPENS IF I DO NOT PAY MY UNEMPLOYMENT TAX?

You will be notified in writing of any amount assessed against you, and you may be contacted by a field auditor who will attempt to collect the amount due along with any delinquent reports.

Your unemployment tax, surcharge, or SCUF and any related penalty or interest is a legal obligation imposed upon you as an employer. There is no authority in the law to reduce, compromise or eliminate any portion of this obligation, and OUI will make every effort to collect it. However, we recognize that you may encounter financial difficulties that may delay your ability to pay your taxes. Partial payment plans that allow you to pay your delinquent balance in installments may be arranged in some cases, although you will continue to incur interest charges on the unpaid balance.

If you fail to pay tax, surcharge, SCUF, interest or penalties assessed by OUI, we will proceed with legal action to recover those amounts. Several methods used to collect unpaid employer debt include:

1. Filing a tax lien on your real and personal property.
2. Issuing a temporary injunction on the operation of your business.
3. Initiating civil action for payment.
4. Placing a levy on assets, including bank accounts, wages and accounts receivable.
5. Attaching and causing the sale of real property.

DO I HAVE TO FILE A REPORT IF I HAVE NO PAYROLL OR OWE NO TAX?

Yes, once you are liable you must file a report unless you have previously requested that the Office of Unemployment Insurance (OUI) inactivate your account because you no longer have payroll to report.

You must also file a report even if all of the wages are excess and no tax is due, because OUI may need the wage information to process benefit claims.

IF I DO NOT REPORT ONLINE, DO I HAVE TO USE FORM UI-3 TO REPORT MY EMPLOYEES' WAGES, OR ARE OTHER WAGE LISTINGS ACCEPTABLE?

An employer may use separate wage reports if this is more convenient than filling out the individual wage report portion of the form.

Any employer with 10 or more employees must file online.

Except for reports filed electronically, the employer must submit a form UI-3 regardless of the method he uses to report wages. The preprinted data on the form allows OUI to correctly identify and process the report.

On the wage reports, the employer must include each employee's NAME, SOCIAL SECURITY NUMBER, GROSS QUARTERLY WAGES, and EXCESS QUARTERLY WAGES. If you submit a wage listing containing any other information, you must clearly label or indicate the gross wages that agree with the total listed on line 1 of the UI-3.

WHY DOES OUI NEED EMPLOYEE WAGE INFORMATION?

OUI maintains wage records for over one million Kentucky workers to use in calculating benefit entitlements for those who become unemployed. See the "Benefits" section for more information on this process.

WHY DOES OUI NEED THE NUMBER OF EMPLOYEES, AND HOW DO I REPORT THIS?

OUI keeps track of the total number of Kentucky workers covered by unemployment insurance as part of the labor statistics used to determine the state of the economy. You must report each quarter in the space provided on the UI-3 or on the website. You must enter the number of employees you had on your payroll on the 12th of the month for each of the three months of the quarter.

If you do not complete this portion of the form, the Workforce Intelligence Branch will mail you a follow-up request. If you have employees in more than one county or location, you may also be asked to complete a supplemental report listing the total workers by county or location.

HOW DO I REPORT CORRECTIONS OR ADDITIONS IF I MAKE AN ERROR IN REPORTING?

The Office of Unemployment Insurance (OUI) audits all reports and ordinarily detects any math errors on your report.

If you discover an error in your previous quarterly individual wage reports, DO NOT attempt to correct it on the current quarter wage listing. Although the net amount of wages might be correct that way, for benefit purposes we must have the correct wages by quarter. Instead, submit a separate explanation of the adjustment, listing the individual workers that you are correcting or adding (name, social security number and wages added or changed), and the change this makes in the gross, excess and taxable wages for the quarter. If the change results in additional tax, surcharge, or SCUF due, you must also calculate the interest due on the additional amount from the original due date of the report you are correcting up to the date that payment is made, at the rate of 1 1/2 percent per month (or fraction of a month).

Report errors in excess wages the same way and indicate the employees whose wages were improperly calculated even if individual gross wages were reported correctly.

Make the corrections as soon as you discover the error, particularly if additional tax, surcharge, or SCUF is due. This will reduce the amount of interest charged. Notify the Tax Enforcement Branch in writing of the correction using the address in the front of this guide. If you are making the adjustment at the same time you are submitting a UI-3, include the adjustment amount on line 8 of the report, and include the adjustment amount in your tax calculation as instructed on the report.

HOW DO I REPORT CHANGE OF ADDRESS, BUSINESS NAME, OR OWNERSHIP?

Reporting a change of address or ownership can be done easily through our website at <https://kewes.ky.gov>. If you are the previous owner, request closure of your account and be sure to choose the option that fits your situation, giving us as much information about the new owner as possible. If you are the new owner, register your business with us by choosing the option that best fits your situation and giving us as much information about the previous owner as possible. A change of business name requires documentation of that change which can be mailed, faxed, or emailed to us.

Office of Unemployment Insurance
UI Tax Enforcement Branch
PO Box
Frankfort, KY 40601
(502) 564-2272
Fax (502) 564-2168
UITax@ky.gov

RESERVE ACCOUNTS AND TAX RATES

WHAT DO YOU DO WITH THE MONEY I PAY IN UNEMPLOYMENT TAX?

The Office of Unemployment Insurance (OUI) deposits all unemployment tax payments made by Kentucky employers in an UNEMPLOYMENT TRUST FUND maintained in the U.S. Treasury, where they earn interest. By federal and state law, this money can be used only to pay benefits to unemployed Kentucky workers. Although OUI deposits all tax payments to the trust fund, and all benefits are paid out of that fund, OUI also keeps track of the individual tax payments of each employer. Most benefits paid are also charged to individual employers' reserve accounts; usually the most recent employer for whom the claimant worked in each of ten weeks, whether or not consecutive (see the "Benefits" chapter for more information). Your RESERVE ACCOUNT is an accounting record of your payments and charges, which is maintained for the purpose of calculating your EXPERIENCE RATING.

HOW IS MY TAX RATE ASSIGNED?

OUI assigns new employers (other than contract construction) a beginning rate of 2.70%. New contract construction employers are assigned the maximum rate under the rate schedule in effect that year (see "What Will My Tax Rate Be If I Start a Construction Business" for more details). After that, OUI will calculate a rate for your account each year.

All unemployment insurance programs are "experience-rated," which means that the amount of tax an employer pays is directly related to their experience in the program. By "experience", we mean the amount of tax an employer has paid into their reserve account, and the amount of benefits charged against that account. In Kentucky, the system used for assigning tax rates is called the RESERVE RATIO method.

Once an employer begins to pay tax (and could be charged benefits), OUI keeps track of the balance in his reserve account. Once each year, the balance in each reserve account is recorded for the purpose of calculating tax rates for the coming year. This takes place as of the COMPUTATION DATE, July 31st. The RESERVE ACCOUNT BALANCE is the net total of all taxes paid minus all benefits charged to an account since it was established. The balance may be positive or negative (deficit), depending upon whether tax payments have exceeded benefit charges or vice versa.

Delinquent tax payments cannot be included in the rate computation if paid after the computation date. This may cause your tax rate to be higher than it would have been if all taxes had been paid on time.

Tax rates are not based solely on the balance in a reserve account, since this would mean that larger or higher-wage employers would have an advantage over smaller or lower-wage employers. Instead, a RESERVE RATIO is computed, which compares the size of the reserve balance to the size of the business and payroll. The reserve ratio is the percentage obtained by dividing the reserve account balance by the total amount of taxable wages reported by the employer during the 12 calendar quarters preceding the computation date. This is referred to as the THREE- YEAR TAXABLE PAYROLL.

The final step in calculating your tax rate is to find your reserve ratio in the RATE SCHEDULE (see next page):

Rate Schedule

Reserve Ratio	Trust Fund Adequacy	A	B	C	D	E
8.0% and over	0.000%	0.30%	0.40%	0.50%	0.60%	1.00%
7.0% but under 8.0%	0.000%	0.40%	0.50%	0.60%	0.80%	1.05%
6.0% but under 7.0%	0.008%	0.50%	0.60%	0.70%	0.90%	1.10%
5.0% but under 6.0%	0.208%	0.70%	0.80%	1.00%	1.20%	1.40%
4.6% but under 5.0%	0.508%	1.00%	1.20%	1.40%	1.60%	1.80%
4.2% but under 4.6%	0.808%	1.30%	1.50%	1.80%	2.10%	2.30%
3.9% but under 4.2%	1.008%	1.50%	1.70%	2.20%	2.40%	2.70%
3.6% but under 3.9%	1.308%	1.80%	1.80%	2.40%	2.60%	3.00%
3.2% but under 3.6%	1.508%	2.00%	2.10%	2.50%	2.70%	3.10%
2.7% but under 3.2%	1.608%	2.10%	2.30%	2.60%	2.80%	3.20%
2.0% but under 2.7%	1.708%	2.20%	2.50%	2.70%	2.90%	3.30%
1.3% but under 2.0%	1.808%	2.30%	2.60%	2.80%	3.00%	3.40%
0.0% but under 1.3%	1.908%	2.40%	2.70%	2.90%	3.10%	3.50%
-0.5% but under -0.0%	6.500%	6.50%	6.75%	7.00%	7.25%	7.50%
-1.0% but under -0.5%	6.750%	6.75%	7.00%	7.25%	7.50%	7.75%
-1.5% but under -1.0%	7.000%	7.00%	7.25%	7.50%	7.75%	8.00%
-2.0% but under -1.5%	7.250%	7.25%	7.50%	7.75%	8.00%	8.25%
-3.0% but under -2.0%	7.500%	7.50%	7.75%	8.00%	8.25%	8.50%
-4.0% but under -3.0%	7.750%	7.75%	8.00%	8.25%	8.50%	8.75%
-6.0% but under -4.0%	8.250%	8.25%	8.50%	8.75%	9.00%	9.25%
-8.0% but under -6.0%	8.500%	8.50%	8.75%	9.00%	9.25%	9.50%
Less than -8.0%	9.000%	9.00%	9.25%	9.50%	9.75%	10.00%

Looking at the rate schedule, you will notice that there are six different columns of rates corresponding to the reserve ratio brackets in the first column on the left, with the “Trust Fund Adequacy” rates being the lowest and schedule “E” being the highest. The rate schedule in effect in any given year is based on the balance in Kentucky’s Unemployment Trust Fund by September 30th of the preceding calendar year. For example, if the Trust Fund has a balance of at least \$350 million on September 30th, but less than \$500 million, then rate schedule “B” would be in effect for the following calendar year. This means that high unemployment costs, which reduce the fund balance, may cause tax rates to increase even for businesses that did not directly experience benefit charges.

The example on the next page illustrates the rate computation process for a typical business. Remember, the computation date is July 31 of the year preceding the year for which a rate is being computed.

Other factors can affect your tax rate:

If you have been SUBJECT LESS THAN 12 CALENDAR QUARTERS as of the computation date, your rate, by law, cannot be less than 2.7%. This means you must have been subject no later than the end of June the fourth year preceding the year for which the rate is being assigned in order to be eligible for a reduced rate (for example, subject in June 2014 to receive a reduced rate for 2018). Your rate can be higher than 2.7% after your first year of subjectivity if the ratio indicates.

If you failed to file any report for the twelve quarters preceding the computation date, the Office of Unemployment Insurance (OUI) cannot accurately calculate a rate for your account, and by default, we will assign the highest positive or negative balance rate from the schedule in effect for that year. If you file the missing report(s) within twenty days of receiving your annual rate notice, we can recalculate your tax rate using the taxable wages from the missing report(s). Please contact the Employer Accounting Section at 502-564-2168 to request an amendment to your rate notice. As stated previously, we cannot use the delinquent tax payments in the calculation.

If you are, or become, a SUCCESSOR employer by acquiring all or part of an existing business that is already covered by unemployment insurance, your rate calculation will include the experience of your predecessor. See the “Successorship” section of this guide for more details.

Reserve Ratio and Rate Computation

Beginning Reserve Balance (balance as of the preceding computation)		\$41,908.03
Benefits charged to the account through June 30, for the four quarters immediately preceding the computation date:		
3rd quarter	\$ 0.00	
4th quarter	1,572.18	
1st quarter	1,333.15	
<u>2nd quarter</u>	<u>298.00</u>	
Total	3,203.33	-\$3,203.33

Contributions credited to the account during the four quarters immediately preceding the computation date:

3 rd quarter	\$ 2,007.57	
4 th quarter	868.65	
1 st quarter	2,414.14	
<u>2nd quarter</u>	<u>2,732.99</u>	
Total	8,023.35	+\$8,023.35

Ending Reserve Balance as of July 31 **\$46,728.05**

Three Year Taxable Payroll (the total of taxable wages paid during the three fiscal years preceding the computation date):

3 rd quarter	\$80,285.24
4 th quarter	60,221.76
1 st quarter	77,856.04
2 nd quarter	78,770.25
3 rd quarter	97,150.25
4 th quarter	61,217.88
1 st quarter	90,526.56
2 nd quarter	108,331.30
3 rd quarter	70,947.42
4 th quarter	62,048.47
1 st quarter	96,592.53
<u>2nd quarter</u>	<u>109,311.41</u>
	\$993,259.11

<u>Reserve Balance</u>		<u>Three Year Taxable Payroll</u>		<u>Reserve Ratio</u>
\$46,728.05	÷	\$993,259.11	=	004.704

Using Schedule C for example, the corresponding rate would be **1.40%**.

The Office of Unemployment Insurance (OUI) issues a “**Notice of Contribution Rate**” annually to each active employer indicating the new rate and containing the information used in calculating it. By law, these notices are issued on or before December 15th each year.

COMMONWEALTH OF KENTUCKY
OFFICE OF UNEMPLOYMENT INSURANCE
P.O. BOX 948
FRANKFORT, KY 40602-0948

NOTICE OF CONTRIBUTION RATE
For Calendar Year 2019

Date of Notice:

This notice has been issued to advise you of the contribution rate assigned to your Kentucky Unemployment Insurance Employer Reserve Account for the year indicated above. The figures provided on this form are taken from the account records maintained by the Office, and furnished to assist you in understanding how your contribution rate was calculated.

THIS IS NOT A BILL

ACCOUNT #
UI RATE: **9.000**
Adjusted UI Rate: **8.925**
SCUF Rate: 0.075

PREDECESSOR#	CODE	BENEFIT CHARGES	CODE	CONTRIBUTIONS	CODE	EMPLOYER RESERVE	CODE	THREE(3) FISCAL YEARS/TAXABLE WAGES
	29 28	4,150.00	99 98	2,162.43	15 10	405,741.17DB	59 58	94,624.92
TOTALS		4,150.00		2,162.43		405,741.17DB		94,624.92
CONTRIBUTIONS PAID		AS OF JUL 31, 2018-----ADD				2,162.43	RATING FACTORS: A,D	
BENEFIT CHARGES		AS OF JUN 30, 2018----SUBTRACT				4,150.00		
NET RESERVE BALANCE AS OF		COMPUTATION DATE				407,728.74DB		
							RESERVE RATIO: -00430.889	
KRS 341.430 PROVIDES AN APPEAL FROM THIS DETERMINATION MUST BE FILED WITHIN 20 DAYS FROM THE DATE OF THIS NOTICE								
RATE SCHEDULE : A			EXPLANATION			VOLUNTARY PAYMENT		
If your reserve ratio is: Your UI rate is:			10 TRANSFERRED FROM PREDECESSOR			CHECK YOUR RATING FACTORS FOR ELIGIBILITY AND USE RATE SCHEDULE FOR COMPUTATION.		
8.0% and over 0.30%			15 BALANCE FROM LAST COMPUTATION					
7.0% but under 8.0% 0.40%			28 TRANSFERRED FROM PREDECESSOR			VOLUNTARY PAYMENT MADE TO REDUCE DETERMINED RATE FROM _____% TO _____%		
6.0% but under 7.0% 0.50%			29 BENEFIT CHARGES					
5.0% but under 6.0% 0.70%			30 VOLUNTARY PAYMENT			PAY ONLINE AT HTTPS:// KEWES.KY.GOV		
4.6% but under 5.0% 1.00%			58 TRANSFERRED FROM PREDECESSOR					
4.2% but under 4.6% 1.30%			59 TAXABLE WAGES			NOT ACCEPTABLE UNLESS PAYMENT MADE WITHIN 20 DAYS OF THIS NOTICE		
3.9% but under 4.2% 1.50%			60 TRANSFERRED FROM PREDECESSOR					
3.6% but under 3.9% 1.80%			98 TRANSFERRED FROM PREDECESSOR			TAX ENFORCEMENT BRANCH (502)564-2168 or (502)564-2272		
3.2% but under 3.6% 2.00%			99 PAID SINCE LAST COMPUTATION					
2.7% but under 3.2% 2.10%								
2.0% but under 2.7% 2.20%								
1.3% but under 2.0% 2.30%								
0.0% but under 1.3% 2.40%								
-0.5% but under -0.0% 6.50%								
-1.0% but under -0.5% 6.75%								
-1.5% but under -1.0% 7.00%								
-2.0% but under -1.5% 7.25%								
-3.0% but under -2.0% 7.50%								
-4.0% but under -3.0% 7.75%								
-6.0% but under -4.0% 8.25%								
-8.0% but under -6.0% 8.50%								
less than -8.0% 9.00%								
			RATING FACTORS					
			A SUBJECT 12 QUARTERS					
			B NOT SUBJECT 12 QUARTERS					
			C DELINQUENT IN FILING REPORTS					
			D DEFICIT BALANCE & RATIO					
			U CONTRACT CONSTRUCTION					

SEE BACK FOR EXPLANATION OF RATE DETERMINATION, RATIO, CODES, RATING FACTORS AND VOLUNTARY PAYMENT

INMEDIATAMENTE: Si necesario, por favor de ir a la oficina de Kentucky Career Center, si necesita asistencia para traducir y entender la información contenida en el documento(s) que recibió, puede encontrar su oficina local en: www.kentuckycareercenter.com

IF MORE IS PAID OUT IN BENEFITS THAN I HAVE PAID IN, DO I HAVE TO PAY THE DIFFERENCE?

You do not have to pay the difference directly, however, you may want to because a deficit balance in your employer reserve account will cause your tax rate to increase. See the section on “Voluntary Payment” below.

WHAT WILL MY TAX RATE BE IF I START A CONSTRUCTION BUSINESS?

The Office of Unemployment Insurance (OUI) assigns a new employer who is determined to be in the contract construction business the MAXIMUM TAX RATE in effect for the year in which he becomes liable, ranging from 9.0% to 10.0%. If you are a new contract construction employer, you will not be eligible for an experience rating less than the maximum rate until you have employed workers in Kentucky for at least 12 CONSECUTIVE CALENDAR QUARTERS preceding the computation date. Your rate may go up or down during this period if the tax rate schedule in effect changes from year to year. Once you have met the requirement, your rate for the following year will be based on your reserve ratio, as previously described.

The law pertaining to contract construction tax rates was enacted as the request of the construction industry in order to prevent new companies from receiving a lower rate than the average for the industry.

WHAT IS A “VOLUNTARY PAYMENT”?

In addition to the unemployment tax that you are required to pay, you may make additional payments into your reserve account to reduce or eliminate a deficit balance. Since tax rates are based on reserve account balance, changing your balance can lower your next year's tax rate. Sometimes a relatively small voluntary payment will lower your tax rate and allow you to save a larger amount of money in the coming year.

Paying off a deficit balance is the most common form of voluntary payment, since this will result in the greatest reduction in tax rate, and therefore, the greatest tax savings.

Beginning January 1, 2012, voluntary payments are only permitted for employers with negative reserve balances. Those voluntary payments will only be permitted up to the amount of the negative reserve balance. Also beginning January 1, 2012, you are not permitted to make a voluntary payment in two consecutive years.

Beginning July 14, 2018, successors who have inherited negative reserves from their predecessors are permitted to make a one-time voluntary payment to pay off or reduce the amount of negative reserve. The payment has to be made within 60 days of receipt of notices regarding the negative reserve. Similarly to the voluntary payments above, this payment also cannot exceed the amount of negative reserve.

HOW DO I MAKE A VOLUNTARY PAYMENT?

Voluntary payments are usually made at the time that annual notices of contribution rates are issued. Your “Notice of Contribution Rate” contains instructions for determining whether a voluntary payment will reduce your tax rate for the new year. If it would, you may make a payment within 20 days from the mailing date of the notice, and it will be credited to your account as of the preceding computation date and used to recalculate your current year rate. Voluntary payments will now be made through our website at <https://kewes.ky.gov>. Choose the “Pay Now” option, enter your KEIN and password, and then choose “Voluntary Payment” in the dropdown menu. The Tax Enforcement Branch will verify your payment to make sure it will reduce your rate as desired; if not, the payment will be applied to your employer account as a credit for future quarters of tax, surcharge, SCUF, interest, and penalties.

You will not be allowed to make a voluntary payment if you owe the Office of Unemployment Insurance (OUI) any tax, surcharge, SCUF, interest or penalty. You may pay off your delinquency and make a voluntary payment at the same time, but only the amount of your voluntary payment over the amount of your delinquency will be used in recalculating your rate.

Construction employers who are subject to the maximum tax rate may make voluntary payment to pay off a deficit balance. However, this will not affect your tax rate unless you have satisfied the minimum length of employment described in the construction rates section.

Employers may make voluntary payments at any time of the year by using the website as previously described. However, voluntary payments made at any time other than the 20 days after the issuance of rate notices will not affect your current year rate. They will be used in calculating your following year rate if made by the computation date (July 31).

HOW DO I FIGURE A VOLUNTARY PAYMENT, AND HOW CAN I TELL IF IT WILL SAVE ME MONEY?

You may first want to review the section on how rates are computed, since this will make it easier to understand how voluntary payments are calculated.

Remember that rates are assigned based on your RESERVE RATIO, which is the percentage your reserve balance is of your three-year taxable payroll. In order to change your tax rate, you have to change that percentage.

For example, assume your three-year taxable payroll totals \$100,000.00 and your reserve balance is -\$510.00. Your reserve ratio would be:

$$-\$510.00 \div \$100,000.00 = -0.510\%$$

Next, refer to the rate schedule in effect. For this example, assume it is Schedule E. The rate assigned for a -0.510% reserve ratio on this schedule would be 7.75%.

The next lower rate on this schedule is 7.50%. To reduce your rate to this, your reserve ratio would need to be at least -0.5%, the minimum ratio for this bracket.

Multiply your taxable payroll total by the minimum reserve ratio you need to achieve:

$$-0.50\% \times \$100,000.00 = -\$500.00$$

This is the minimum reserve balance you would need to reduce your rate by one bracket. Subtract your existing balance from the required balance to determine your voluntary payment:

$$-\$510.00 - (-\$500.00) = \$10.00$$

Next, to see whether this will save you money, divide your voluntary payment by the difference in the tax rate you would achieve. In this example, you would reduce your rate by 0.25% (7.75% - 7.50%), therefore:

$$\$10.00 \div 0.25\% = \$4,000.00$$

If you expect that your taxable payroll for the coming year will exceed this amount, you will save money if you make a voluntary payment. In this example, this is likely since the average taxable wages for the past three years have exceeded \$33,000.00. For the sake of illustration, assume that the taxable wages will continue at this level for another year. See the difference a voluntary payment will make in total payments for the year:

$$\$33,000.00 \times 7.75\% = \$2,557.50, \text{ versus}$$

$$\$33,000.00 \times 7.5\% = \$2,475.00$$

+\$ 10.00 Voluntary Payment

\$2,485.00 Total Payments

NET SAVINGS = \$72.49

If a small voluntary payment results in a large potential savings, you may want to calculate the voluntary payment required for the next lower bracket.

The Office of Unemployment Insurance (OUI) will be happy to assist you in calculating a voluntary payment and estimating whether it will save you money. There is also a convenient "Voluntary Payment Calculator" on our website at <https://kewes.ky.gov> under the "Tax Information" link. However, you must estimate your taxable payroll for the year ahead. If you overestimate, this may reduce or eliminate your savings. In such a case, your voluntary payment CANNOT be refunded.

Remember, the greatest savings can be realized by paying off a DEFICIT BALANCE, since this results in the greatest reduction in rate. However, no voluntary payment may exceed the amount of your negative reserve balance.

SUCCESSORSHIP

WHAT HAPPENS IF I BUY (OR SELL) A BUSINESS?

Ordinarily, if a liable business changes ownership, the reserve account assigned to the business is transferred to the new owner. This process is referred to as SUCCESSIONSHIP. A successor employer inherits the reserve account balance from the previous owner (the “predecessor”), whether positive or negative, and thus the successor’s tax rate is affected by the predecessor’s experience rating. The successor may also inherit liability for delinquent tax reports and unpaid tax, surcharge, SCUF and interest.

If the tests described below apply, successorship is not voluntary for either the predecessor or the successor. An employer who transfers all of his business will lose his reserve account and cease to be a liable employer. He cannot retain his reserve balance, nor can we refund it to him. This applies even in cases where the previous owner is a corporation, and the corporation itself is not sold.

HOW IS SUCCESSIONSHIP DETERMINED?

If a business is sold or otherwise transferred in whole or part and there is substantially common ownership, management or control of the business before and after the transfer (that is, one or more individual or individuals owns or exercises pervasive management of the business before and after the transfer), then by law the acquiring employer is a successor to the original owner's employer reserve account.

If a business is transferred and the ownership is not common, for successorship to apply to a business transfer, both the previous and the new owners must have been involved in negotiations to bring about the transfer. These negotiations need not be direct and a third party may be involved. Also for successorship to apply, at least two of the following five conditions must exist:

- A. The business was a going concern at the time that negotiations to transfer began.
- B. The new owner continued to operate (or resumed) basically the same type of business in the same location as the previous owner.
- C. At least half of the employees of the previous business continued to work for the new owner.
- D. At least half of the new owner’s employees worked for the previous owner.
- E. The new owner acquired work contracts or commitments from the previous owner.

NOTE: If only the conditions in C & D are met, successorship will **not** apply.

WHAT IF I ONLY BUY (OR SELL) PART OF A BUSINESS?

SUCCESSORSHIP IN PART occurs when only a portion of the total business owned or operated by the predecessor is transferred. The same rules described above apply in determining whether successorship has occurred. If so, a further determination must be made as to whether and how much of the reserve account of the predecessor is to be divided with the successor.

In cases of partial transfer, reserve accounts are divided on a percentage basis. This percentage is subject to the approval of the Office of Unemployment Insurance (OUI), and must reflect the approximate percentage of the business operation transferred. This must be based on percentage of payroll or number of employees transferred. Contact the Tax Enforcement Branch or a tax auditor if you require assistance. The percentage proposed to OUI must be accompanied by sufficient explanation for us to determine whether it reasonably reflects the business transfer.

If the parties to the transfer cannot agree on a percentage to transfer, or OUI cannot approve the proposed percentage, a percentage will be determined by OUI based on the percentage of the gross payroll reported by the previous owner, which is attributable to employees transferred to the new owner.

When a reserve account is transferred in part, and the previous owner continues to operate the remainder of his business, a new reserve account number (KEIN) is assigned for the retained business. This is necessary for accounting purposes in order to keep track of the amount of tax paid and benefits charged before and after the transfer. If the transfer takes place within a calendar quarter, separate reports will be required for the periods before and after the date of transfer and filed under the previous and new account numbers, respectively.

WHAT EFFECT DOES SUCCESSORSHIP HAVE ON MY TAX RATE?

An employer who becomes liable as a result of acquiring all or part of an existing business will receive the tax rate already assigned to the business for the year in which the transfer takes place. This rate may be higher or lower than the normal new employer rate (2.7%), based on the balance of the reserve account acquired. Note that this includes partial transfers in which no portion of the predecessor reserve account is transferred to the successor.

After the first year, your rate will be based on a combination of your predecessor's reserve and taxable payroll, and your own payroll, tax payments and benefit charges. You may also be charged with benefits paid to former employees of your predecessor for two years or more after the date of transfer. Your predecessor's experience will count toward the minimum twelve quarters of subjectivity required to receive a reduced tax rate. However, if your predecessor was delinquent in filing any reports during the twelve quarters preceding the computation date, this will result in a higher default rate. If this occurs, contact the Tax Enforcement Branch and we will assist you in estimating and filing the missing reports, based upon whatever information you may have acquired from your predecessor.

Your annual "Notice of Contribution Rate" will indicate both your own and your predecessor's payroll, tax and benefit information. The rate computation process is the same as that described in the rate section of this guide.

If you are a successor to part of a reserve, the amount of predecessor payroll, tax, and benefits used in determining your rate will be based on the percentage of reserve transferred. If you did not receive any portion of the predecessor's reserve, the transfer will not affect your rate after the first year.

If you are already liable and then acquire all or part of an existing business that did not have common ownership, the transfer will have no effect on your assigned rate for the year in which the transfer occurs. For following years, your rate will be computed by combining your payroll and reserve totals with those of your predecessor. In the case of an acquisition of all or part of a commonly owned or controlled accounts, your rate for the remainder of the year will be recalculated as of the first quarter following the date of the transfer using the combined experience of the predecessor and successor accounts. In either case, the Office of Unemployment Insurance (OUI) will provide you with this information on your annual "Notice of Contribution Rate."

IS A SUCCESSOR EMPLOYER ENTITLED TO CLAIM WAGES PAID BY THE PREDECESSOR PRIOR TO THE TRANSFER IN CALCULATING EXCESS WAGES?

Yes. If you are a successor (even if no reserve is transferred), you may take credit for the wages paid to your employees by your predecessor prior to the date of transfer in determining the excess wages for those employees.

WHAT ARE MY LIABILITIES AS A SUCCESSOR EMPLOYER?

In addition to the potential for predecessor benefit charges described above, you may also be held liable for unpaid tax, surcharge, SCUF, and interest owed by your predecessor, but only if OUI notifies you of the predecessor debt within six months after we first learn about the transfer. That is not the same as six months from the transfer, because we frequently do not learn about transfers until some time after they occurred.

OUI will make every reasonable effort to collect the delinquent tax, surcharge, SCUF, and interest from your predecessor. However, if we are unable to make a full collection, you will be liable. This is considered a legal debt of the business you acquired and is not affected by any contract you may have with the predecessor holding you free of debt.

A successor to part of a business can only be held responsible for a percentage of the predecessor debt, based upon the percentage of reserve acquired.

REIMBURSING EMPLOYERS

WHAT ARE REIMBURSING ACCOUNTS, AND WHO IS ELIGIBLE?

Governmental employers and 501(c)(3) nonprofit organizations are eligible to report as REIMBURSING accounts. Reimbursing employers do not pay quarterly unemployment tax. Instead, they reimburse the Office of Unemployment Insurance (OUI) for the cost of any benefits that are chargeable to them. Reimbursing employers must still file quarterly reports for wage information purposes.

Upon becoming liable, an eligible employer may choose either to reimburse or to pay quarterly taxes. If the reimbursement option is chosen, the business must remain in this status for at least two calendar years. If the taxpaying option is selected, the business may switch to the reimbursement method after one calendar year. To change options, you must advise OUI in writing no later than December 1st, prior to the start of the year for which you want the new option to be effective.

There are both advantages and disadvantages to the reimbursement method. Although it can save money for organizations with stable employment, it can also result in large and unexpected benefit costs. Reimbursing employers also have fewer rights to relief from benefit charges than do taxpayers. Eligible employers are encouraged to contact the Tax Enforcement Branch, Employer Status Section, to discuss the reimbursement option prior to making any decision.

As a result of legislation enacted by the Kentucky General Assembly (House Bill 5), employers who have elected to reimburse the state in lieu of paying contributions will become subject to interest on any benefits charged to their account on or after August 28, 2010. The statement of benefit charges will contain a line item indicated as "Trust Fund Interest". Payment of the Trust Fund Interest is due at the same time as the benefit charges. The interest rate is based on the average rate of earnings in the unemployment trust fund for the prior calendar year and will be adjusted annually.

FEDERAL UNEMPLOYMENT TAX ACT (FUTA)

NOTE: The Internal Revenue Service collects federal unemployment tax, and questions concerning federal tax reporting and payment should be addressed to your nearest IRS office. What follows is a brief discussion of some basic information.

WHAT IS FEDERAL UNEMPLOYMENT TAX?

In addition to your state unemployment tax, federal law requires that you pay Federal Unemployment Tax (FUT). The liability requirements are the same as for state coverage; however, non-profit and governmental employers are exempt from federal coverage. Federal unemployment taxes are used primarily for two purposes: paying for the cost of administering the UI program by the state and the federal governments; and paying for federal benefits programs, such as the federal share of extended benefits.

FUT is payable on the first \$7,000.00 you pay each worker annually. The tax rate is 6.0%; however, as explained below, you are allowed up to a 5.4% offset credit for state tax payments on the same wages. Therefore, the normal net tax rate is 0.6%.

The FUTA offset credit is subject to reduction if the Kentucky Unemployment Insurance Trust Fund is indebted to the federal government.

Please check our website (<https://kewes.ky.gov/Contact/contacts.aspx?strid=1>) for the most up-to-date information on any FUTA offset reductions.

HOW DOES PAYING MY STATE UNEMPLOYMENT TAX AFFECT MY FEDERAL TAX?

You are allowed to claim a credit reducing your federal unemployment tax rate if you paid state unemployment tax on the same wages. If you made the state tax payments on time, you may claim the maximum allowable offset credit of 5.4%. This credit applies even if you paid state tax at a rate lower than 5.4%. However, you cannot claim more than this rate if your state tax rate was higher.

Each year the Office of Unemployment Insurance certifies to the IRS all tax payments made by Kentucky employers. If you are notified by the IRS that your federal tax credit claimed does not agree with the amount certified, contact the Tax Enforcement Branch, and we will assist you in verifying the proper credit.

CAN I CLAIM A CREDIT AGAINST STATE UNEMPLOYMENT TAX FOR THE FEDERAL UNEMPLOYMENT TAX THAT I PAY?

No. You can only claim credit on your federal UI rate for state UI payments.

CLOSING AND TERMINATING ACCOUNTS

WHAT HAPPENS TO MY RESERVE ACCOUNT IF I CLOSE MY BUSINESS?

If you close your business, please visit our website at <https://kewes.ky.gov> and select “Close Employer Account” from the menu. This will allow you to provide us with the closing date and reason for closing.

As an inactive employer you will not be required to file quarterly reports after the quarter in which you last had employment. However, you will remain liable under the unemployment insurance law for any future employment you have, regardless of the size or duration of your future payroll.

Once you have had at least one complete calendar year with no employment or with employment that does not meet the liability requirements, you will be eligible to terminate your account as described below.

WILL THE BALANCE IN MY RESERVE ACCOUNT BE REFUNDED TO ME WHEN I CLOSE MY BUSINESS?

No. All tax is paid into the Kentucky Unemployment Trust Fund and can only be used to pay benefits. Your reserve account balance total is used solely to calculate annual tax rates. It cannot be refunded.

WILL I HAVE TO PAY OFF ANY DEFICIT RESERVE BALANCE IN MY ACCOUNT WHEN I CLOSE MY BUSINESS?

No. However, if you resume employment in the future and have not terminated your reserve account as described below, your future rate will be based on your deficit reserve balance.

CAN I DRAW BENEFITS IF I CLOSE MY BUSINESS?

If you are a proprietor or partner, you are not eligible to draw unemployment insurance. Unemployment insurance coverage only applies to employees, not to the owners of businesses.

If your business was incorporated and you drew a salary, you may be able to draw benefits if it is determined that you are unemployed through no fault of your own, just as is true for any other claimant.

DO I HAVE TO FILE REPORTS IF I NO LONGER HAVE EMPLOYEES?

If you cease to have employees but are continuing to operate your business, you may contact the Tax Enforcement Branch and request to have your account placed in inactive status. The same conditions apply to closing your business, which is described at the top of this page.

NOTE: If you continue to operate your business using workers obtained from a temporary service or contract labor, you may be determined liable for reporting these workers as your employees. See the “Liability” section for more information.

WHAT IS “TERMINATION OF A RESERVE ACCOUNT,” AND HOW DO I APPLY TO HAVE MY ACCOUNT TERMINATED?

TERMINATION of a reserve account means that the employer to whom the account is assigned has ceased to be liable under unemployment insurance law. If your account is terminated, you will have to meet the liability requirements again to be liable for any further payroll reporting or tax payments.

You are eligible to terminate your reserve account if you had no employment for at least one full calendar year, or if your payroll during a full calendar year was less than the liability requirements (see page 1 of this guide). Note that you may terminate your account even if you have employment, as long as the employment is below the liability limits.

You must request termination IN WRITING no later than April 15th of the year in which it is to be effective. Write to the Employer Status Section, Unemployment Tax Enforcement Branch, 275 East Main St, Mailstop 2E-H, Frankfort, KY, 40621.

You should consider whether termination of your account would be advantageous, which will depend on your reserve account balance and whether you expect to resume employment in Kentucky in the future. Any balance in a reserve account at the time it is terminated will be transferred to the POOLED ACCOUNT, which is used to pay benefits that are not chargeable to any individual employer reserve account.

If you have a positive reserve balance and anticipate resuming employment, it may be advantageous to retain your account since the balance you have built up in the account may entitle you to a lower tax rate than the entry rate for a new employer. However, if you have a deficit (negative) balance, terminating your account will eliminate the deficit. If you resume employment, you will begin at a new employer rate.

The Office of Unemployment Insurance (OUI) may also terminate an account if at least three years have passed with no employment reported. OUI will do this only after sending written notice of our “intent to terminate” to the last known address of the employer. If you receive such a notice and do not wish to have your account terminated, you must reply in writing to retain the account.

IF I CLOSE OR TERMINATE MY RESERVE ACCOUNT, WILL I STILL BE LIABLE FOR ANY UNPAID TAX, INTEREST OR PENALTIES?

Yes.

BENEFITS

WHEN IS A WORKER ELIGIBLE TO RECEIVE UNEMPLOYMENT INSURANCE BENEFITS AND HOW MUCH WILL HE/SHE BE ELIGIBLE TO RECEIVE?

The worker must be unemployed through no fault of his/her own and must file a claim for benefits. The EFFECTIVE DATE of his/her claim will be the Sunday of the week in which he/she files. This will establish his/her BASE PERIOD, which is the first four of the last five completed calendar quarters preceding the effective date of the claim. For example:

If the claim was filed on April 25, 2018, the effective date would be April 22, 2018 (the Sunday of that week). Since this falls in the second quarter of 2018, the five completed quarters preceding the effective date of the claim would be the first quarter 2018 and the four quarters of 2017. The first four of these quarters - the four quarters of 2017 - would be the base period.

2017	2017	2017	2017	2018
1st Quarter	2nd Quarter	3rd Quarter	4th Quarter	1st Quarter


Base Period


Next, this agency will consult the wage record file (made up of the wage information employers submit on their quarterly wage and tax report) to see what wages were reported for the claimant during the four quarters of his/her base period. Assume the following wages were reported:

1st Quarter 2017 (January - March)	\$5,500.00
2nd Quarter 2017 (April - June)	6,000.00
3rd Quarter 2017 (July - September)	5,500.00
4th Quarter 2018 (October - December)	<u>5,000.00</u>
Total Base Period Wages	\$22,000.00

The claimant's **WEEKLY BENEFIT AMOUNT (WBA)** is then calculated by multiplying his/her total base period wages by 1.1923% and rounding to the nearest dollar:

EXAMPLE: $\$22,000.00 \times .011923 = \262.31 , the WBA would be \$262.00

A weekly benefit amount can neither be lower than \$39.00 nor more than the maximum weekly benefit amount allowed in Kentucky at that time. The maximum WBA is established annually on July 1st. It is ordinarily set at 62% of the average weekly wage for all workers in covered employment during the preceding year but may be less depending upon the trust fund balance as of the end of that year. For reference, the maximum weekly benefit amount from July 1, 2017, through June 30, 2018 is \$502.00.

To be monetarily eligible, the claimant must have performed enough work in covered employment during his/her base period to meet ALL four of the following requirements:

1. He/she must have earned at least \$1,500.00 in wages during the quarter in which his/her wages were highest.
2. His/her wages for the other three quarters of the base period must have been at least \$1,500.00.
3. His/her total base period wages must be at least one-and-a-half ($1\frac{1}{2}$) times the amount he/she made in the quarter in which his/her wages were highest.
4. His/her wages in the last two quarters of the base period must be at least eight times his/her weekly benefit amount.

The MAXIMUM BENEFIT AMOUNT (MBA), the total amount a claimant can receive in regular benefits on a single claim, must be the lesser of the following:

- a. Twenty-six times his/her weekly benefit amount.
- b. One-third of the total base period wages (except no MBA can be less than 15 times the weekly benefit amount).

To illustrate:

(Weekly benefit amount) $\$262.00 \times 26 = \$6,812.00$

One-third of \$22,000.00 (total base period wages) = \$7333.33

The maximum benefit amount is \$6,812.00, the lesser of the two.

A claimant may receive less than the maximum benefit amount if he/she returns to work before his/her claim is paid out. In some cases, he/she may work part-time while receiving benefits; however, 80% of his/her gross earnings for the week will be deducted from his/her weekly benefit amount. In addition, if the claimant is receiving a pension from a plan into which a base period or chargeable employer was the sole contributor, the amount of his/her pension will be deducted from his/her weekly benefit amount. If the worker contributed to the pension, none of the pension will be deducted.

In addition to the monetary requirements, the claimant must also meet **NONMONETARY REQUIREMENTS** each week:

1. Be physically and mentally able to work.
2. Be either totally unemployed or performing less than full-time work and earning less than one-and-one quarter ($1\frac{1}{4}$) times his /her weekly benefit rate (a claimant earning less than this amount and working less than full-time may qualify for partial benefits, with 80% of his/her earnings deducted from his/her weekly benefits).
3. Be available for suitable work and making a reasonable effort to find employment.
4. Register for work with the Kentucky Career Center, unless he/she is out of state, at which point he/she is required to register with the state in which he/she resides.
5. Complete a Welcome Orientation and Assessment.
6. Claim benefits for each week of unemployment.

WHAT WILL DISQUALIFY A WORKER FROM RECEIVING BENEFITS?

VOLUNTARY QUIT - A claimant may be disqualified from receiving benefits for the duration of his/her unemployment if he/she voluntarily quit his/her most recent or next most recent suitable work without good cause attributable to the employment. He/she must then work at least 10 weeks and earn 10 times his/her weekly benefit amount in covered employment to remove the disqualification. However, there are exceptions to the "voluntary quit" disqualification. A claimant who quits a job to accept a bona fide job offer with a reasonable expectation of continued work, or who quits a job more than 100 miles from his/her home to accept closer employment, will not be automatically disqualified. If otherwise eligible, the claimant will receive benefits, but the employer's reserve account is not chargeable in such situations.

A worker who quits a job to follow a military spouse will not automatically be disqualified.

WORK REFUSAL - A claimant will be disqualified for the duration of his/her unemployment if he/she refuses, without good cause, to accept a bona fide offer of suitable work or to apply for available work when so directed by the Kentucky Career Center.

LABOR DISPUTE - A claimant will not receive benefits for any week of unemployment that is due to or is the result of a strike or other bona fide labor dispute in the establishment in which he/she is or was last employed. For the purpose of this disqualification, however, a lockout is not deemed to be a strike or labor dispute.

FRAUD - A claimant will be disqualified for not less than 12 or more than 52 weeks if it is found that he/she knowingly made a false statement or failed to disclose a material fact to obtain or increase his/her benefits. Fraud cases may also be criminally prosecuted as a Class D felony. Conviction in court may result in a fine or jail sentence or both.

MISCONDUCT - A claimant who has been discharged for misconduct from his/her most recent or next most recent work may be disqualified for the duration of his/her unemployment. KRS 341.370(6) states "discharge for misconduct" shall include, but not be limited to:

- Separation initiated by an employer for falsification of any employment application to obtain employment through subterfuge;
- Known violation of a reasonable and uniformly enforced rule of an employer;
- Unsatisfactory attendance if the worker cannot show good cause for the absences or tardiness;
- Damaging the employer's property through gross negligence;
- Refusing to obey reasonable instructions;
- Reporting to work under the influence of alcohol or drugs or consuming alcohol or drugs on employer's premises during working hours;
- Conduct endangering safety of self or coworkers; and,
- Incarceration in jail following conviction of a misdemeanor or felony by a court of competent jurisdiction, which results in missing at least five (5) days of work.

GUIDELINES FOR DRUG TESTING

A worker may be disqualified from benefits for failing or refusing to take a drug test under certain circumstances:

In general, the worker must have agreed of his own free will to submit to a drug test; the employer must have a reasonable suspicion of illegal drug use; the employer must have a legitimate need to know based on safety or security reasons. (Note: This does not apply if the test is required by federal regulations; the Office of Unemployment Insurance may only determine if the federal regulation has been complied with by the employer.) The test used must be reliable and reasonable, both in itself and in the manner in which it is conducted. It must be the least intrusive method of testing available. The confidentiality and integrity of the test must be ensured. Also, the worker must be informed in advance of the testing policy.

The following questions should be answered in writing, or you should be prepared to answer them at the fact-finding interview.

1. If you have a drug testing policy or a bargaining agreement that addresses drug testing, or as a government employer or its agent (such as employers in the river transport, railroad and interstate trucking industries) you are required by federal regulations to test for drug use: describe the pertinent factors; attach a copy of the policy, agreement, or federal regulations to your response. We will need the date of the policy, the implementation date, as well as how and when workers were made aware of the policy, agreement or regulation.
2. If there is a written policy or agreement: did this worker agree of his own free will to submit to the drug test?
3. Did you have reason to suspect that the worker was using illegal drugs? If yes, describe the reason for your suspicion.
4. If suspicion of drug use was not present, how was the worker selected for testing?
5. Do you believe you had a legitimate need to know for safety or security reasons if this worker was using illegal drugs? If yes, describe the basis of your belief.
6. When and how was the worker informed of the need for the test? Date tested?
7. Describe the test, including why this particular test was chosen and how it was conducted. If a test other than GCIMS (gas chromatography/mass spectrometry), EMIT (enzyme multiplied immunoassay technique), or RIA (radio immunoassay) was used, a detailed description is required.
8. Describe, in depth, the chain of custody of the sample (including both the circumstances under which the sample was taken and the measures taken to ensure the chain of custody was not broken). Give the name of the person responsible for the integrity of the tested material and the chain of custody. This person must be available to testify, if required.
9. How was the confidentiality of the test result ensured?

WHAT IF I DO NOT THINK A WORKER SHOULD RECEIVE BENEFITS?

If the worker left your employ for any other reason than lack of work, you should protest the payment of benefits by responding to this notice. You must submit your protest by paper documentation within ten days after the date of the first notice or twelve days after first notice if submitting the protest electronically. If you are the chargeable employer and do not file a timely protest, your reserve account, by law, must be charged. You may respond, by faxing your protest to 502-564-9333 or electronically at our website, www.kcc.ky.gov. To respond electronically, follow the links to SIDES.

STATE INFORMATION DATA EXCHANGE SYSTEM (SIDES)

Responding to paper-based unemployment insurance (UI) information requests fully and within tight deadlines creates a significant and costly administrative burden on companies today, putting a strain on the bottom line. This problem is compounded for employers and third-party administrators (TPAs) with operations in multiple states, since – until recently – no single national standard existed to help states and employers easily and electronically exchange key information about UI claims.

Developed through a strategic partnership between the U.S. Department of Labor (USDOL) and state UI agencies, the State Information Data Exchange System (SIDES) and SIDES E-Response offer employers and TPAs – free of charge – a secure, electronic and nationally standardized format in which they can easily respond to UI information requests, attach documentation when needed and receive a date-stamped confirmation of receipt. Now, employers and TPAs in states implementing the SIDES and SIDES E-Response systems can adopt an electronic standardized format to better anticipate and supply the data needed for UI information requests, reduce follow-up phone calls and streamline their UI response processes, reducing paper work while saving time and money.

For employers with a limited number of UI claims throughout the year, the SIDES E-Response website provides an easy and efficient portal for electronically posting responses to information requests from state agencies. SIDES E-Response is available in participating states to any employer or TPA with internet access.

SIDES provides a more automated data-sharing and file-tracking interface between employers' IT systems and state agency networks. SIDES is an integrated computer-to-computer interface designed for employers and TPAs that typically deal with a large volume of UI information requests. SIDES is especially helpful to those that operate in multiple states.

Both options are completely free of charge for employers and TPAs, although there will be internal IT system development costs to integrate SIDES. In addition, both options have multiple layers of security that are implemented to the highest standard, given the sensitive data exchanged between state UI agencies and employers and TPAs.

Both systems offer an impressive array of benefits and have the potential to significantly improve the UI information exchange process. SIDES and SIDES E-Response give employers and TPAs an electronic way to simplify and streamline responses to UI information requests, saving time and money by:

- eliminating delays related to paper mail delivery, and allowing more time to gather information and respond;
- ensuring more complete information is provided through standard edits, validations and business rules, reducing time-consuming follow up phone calls;
- reducing paper handling, staff time and postage costs; and
- keeping UI tax rates lower by reducing improper payments.

In addition to the significant administrative cost savings offered by SIDES and SIDES E-Response, both options address two of the largest causes of UI overpayments: incorrect initial eligibility decisions (job separation issues) and working while receiving UI benefits.

Many UI overpayments, which could be prevented by receiving timely and accurate information, negatively affect employers' bottom lines. With this in mind, using SIDES or SIDES E-Response will help employers keep UI rates as low as possible by providing accurate, quality and timely information to state UI agencies.

HOW WILL I KNOW IF A FORMER EMPLOYEE HAS FILED A CLAIM?

When an unemployed worker files an initial claim, the Employer's Notice of Initial Claim (Form UI-412A, shown below), is sent to you as notification that a claim has been filed. If the worker left your employ for any reason other than lack of work, you should complete the Employer's Notice of Initial Claim (UI-412A) and submit your protest by paper documentation within ten days after the date of the first notice or twelve days after first notice if submitting the protest electronically.

COMMONWEALTH OF KENTUCKY OFFICE OF UNEMPLOYMENT INSURANCE 275 E MAIN ST. - MAIL STOP 2CF P.O. BOX 452 FRANKFORT, KY 40602-0452 FAX (502) 564-9333	
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NOTICE TO EMPLOYER OF CLAIM FOR UNEMPLOYMENT INSURANCE BENEFITS

Date Processed: 6/3/2019
Mail Date : 06/04/2019

This is notice that a claim for unemployment benefits has been filed by _____, listing you as the employer. The claimant has indicated they worked for you from 07/02/2018 through 05/31/2019 and is filing the claim due to Quit. The claimant has provided the following explanation regarding the reason for claim filing:

EMPLOYER COULD NOT PROVIDE REASONABLE ACCOMMODATIONS FOR MY DISABILITY

Instructions:
If the claimant has been separated from the employment for any reason other than "Lack of Work" or "Lay-off With Definite Recall", you are required to return this form in accordance with 787 KAR 1:070. Return this form within 10 days from this mailing to file your protest by mail or 12 days to file your protest electronically. Improper benefit payments that result from the employer's failure to respond timely or adequately could result in charges or penalties to the employer's account (KRS 341.530(4), KRS 341.415(1)(C)(B)).

Claimant Employment Information:

a. Last Day Worked: _____ Average Hours Worked Per Week: _____
Dates Employed: from _____ to _____ Pay Method: ☐ Hourly ☐ Salaried ☐ Other: _____

b. Has the claimant received any separation pay? ☐ YES ☐ NO
Reason for Separation Payment: ☐ Severance Agreement ☐ Wages in Lieu of Notice ☐ Other: _____
Amount of Payment: _____ Dates Covered by Payment: from _____ to _____

c. Reason for Separation: (select the most appropriate)
☐ Lack of Work ☐ Strike/Lock-Out ☐ Voluntary Quit ☐ Full-Time to Part-Time Work ☐ Leave of Absence ☐ Other: _____
☐ Discharge/Termination ☐ Unable/Unavailable for Work ☐ Suspension ☐ The Employer does not wish to provide any further information

d. Employer's Separation Statement: _____

Employer Representative Printed Name _____	Employer Representative Title _____	
Employer Representative Signature _____	Date _____	Employer KEIN _____
Employer Phone Number _____	Employer Fax Number _____	Employer Email Address _____

¡IMPORTANTE! Este documento(s) contiene información importante sobre sus derechos, obligaciones y/o beneficios de compensación por desempleo. Es muy importante que usted entienda la información contenida en este documento.
INMEDIATAMENTE: Si necesario, por favor de ir a la oficina de Kentucky Career Center, si necesita asistencia para traducir y entender la información contenida en el documento(s) que recibió, puede encontrar su oficina local en: www.kentuckycareercenter.com


Equal Education and Employment Opportunities M/F/D
11917071 : 49300984 Program code 01 EYE: 05/02/2020

In addition to the UI-412A, you may also receive a Fact-Finding Report, Employer Statement (UI-408). This form contains general questions regarding the worker's employment as well as specific questions regarding the reason the worker is no longer employed. The UI-408 should be completed and returned to the Office of Unemployment Insurance, along with the UI-412A.

COMMONWEALTH OF KENTUCKY
OFFICE OF UNEMPLOYMENT INSURANCE
275 E MAIN ST. - MAIL STOP 2CF
P.O. BOX 452
FRANKFORT, KY 40602-0452
FAX (502) 564-9333



Employer, please complete and return this form to the address above. You have 10 days from this mailing to provide your response by mail or 12 days to file your response electronically.

Date Mailed: 06/04/2019

Date Filed: 6/3/2019

UI - 408 Fact-Finding Report
Employer Statement

Voluntary Quit
Health or Physical Conditions

Claimant's Name: _____
Benefit Year End: 05/30/2020

Social Security #: _____
Program Code: UI

Claimant's Rate of Pay: \$ _____ Per: _____

Date Hired: _____ Hours Worked Per Day: _____

Hours Worked Per Week: _____ Last Date Worked: _____

Immediate Supervisor: _____

I hereby make the following statements of my own free will and accord.

If you do not provide information about this matter, we will be required to make a decision based on the information we have. The decision could result in charges to your employer reserve account.

Claimant's Job Duties: _____

1. Did the claimant give notice? If yes, provide date of notice. _____

2. What is the date notice gave as last day worked? _____

3. Provide the name and title of the person the claimant notified they were quitting. _____

4. What reason did the claimant give for quitting this job? _____

¡IMPORTANTE! Este documento(s) contiene información importante sobre sus derechos, obligaciones y/o beneficios de compensación por desempleo. Es muy importante que usted entienda la información contenida en este documento.
INMEDIATAMENTE: Si necesario, por favor de ir a la oficina de Kentucky Career Center, si necesita asistencia para traducir y entender la información contenida en el documento(s) que recibió, puede encontrar su oficina local en: www.kentuckycareercenter.com



Equal Education and Employment Opportunities M/F/D

11917671 - 46559665

Program code: Q1

BYE: 05/30/2020

If a claimant has a monetarily valid claim, and you are the chargeable employer, you will receive a Notice of Potential Benefit Charges (Form UI-412). Upon receipt of this form, you will know the claim's potential effect on your reserve account. This form is not a notice that the claimant has been or will be paid benefits. It only means that the claimant has satisfied the particular requirement relating to qualifying wages. If you received Form UI-412A, Employer's Notice of Initial Claim, and responded, you do not need to protest upon receipt of Form UI-412. If the Notice of Potential Benefit Charges (UI-412) is your first notice, however, you must submit your protest by paper documentation within ten days after the date of the first notice or twelve days after first notice if submitting the protest electronically.

Worker's Name	Social Security Number	Date of Claim	WKLY Rate	Maximum Benefits	% of Charges	Local Office	Pre-Fix	Employer Number	Mailing Date
		06/09/19	191	04966	100.000	60	00	230830	06/13/19

Education Cabinet
Office of Unemployment Insurance
275 East Main Street, 2nd Floor East
Frankfort, KY 40621-0001

Important

This is not a determination of the claimant's eligibility to receive benefits. Please read the detailed information below regarding this claim and your right to protest.

This "Notice of Potential Benefit Charges" is to provide you with information as to this claim's potential effect upon your reserve account and your right to protest such potential charges.

If unable to identify by name as a former employee, check social security number as name changes occur. The total amount of benefits are potentially chargeable against the reserve account of the most recent employer for whom the claimant worked in each of ten (10) weeks, whether or not consecutive. Benefits are charged proportionally if the former employee also earned wages in his base period from employment in federal civilian or military service in other states, in relation to wages earned from each.

Non-profit organizations or employers who have elected reimbursement in lieu of payment of contributions may not protest claims with respect to chargeability. However, if you feel you have been incorrectly identified as the chargeable (last ten weeks) employer, you may write the office at the address shown above to question your chargeability. Further, if it is determined that you or your agent was at fault for failing to respond timely or adequately to the separation inquiry sent to the last known address of record, then credit to your reimbursing employer account for overpayment sums collected from the claimant related to any improper benefit payment is subject to being removed or denied credit in accordance with KRS 341.415(1)(c) and 341.530(4)(a) and (b).

This is not a notice that the claimant has been or will be paid benefits. It means only that the claimant has satisfied that particular requirement of the several eligibility requirements to be met, which relates to qualifying wages.

This notice carries with it the right of protest only if it constitutes first notice to you of the filing of a claim by a former employee. If you have previously received (as the most recent employer for whom the claimant worked in each of ten (10) weeks, whether or not consecutive) form UI-412A, Employers Notice of Initial Claim, and did not respond to that notice within the 10-day period prescribed, your reserve account, under law, must be charged. If you did so respond, no further protest is required.)

If this notice does constitute first notice, you have 10 days from this mailing to file your protest by mail or 12 days to file your protest electronically. If this claimant's separation from your employment was for any reason other than lack of work, please check the applicable block(s) below and return this notice to the address shown above.

Dates of Employment From _____ To _____

- ☐ Voluntary Quit ☐ Labor Dispute (strike) ☐ On Vacation or Other Paid Leave ☐ Discharge for Misconduct
☐ Unable to or Unavailable for work ☐ Other (specify) _____

(Signature Employer Representative)

(Title)

Comments: _____

¡IMPORTANTE! Este documento(s) contiene información importante sobre sus derechos, obligaciones y/o beneficios de compensación por desempleo. Es muy importante que usted entienda la información contenida en este documento.

INMEDIATAMENTE: Si necesario, por favor de ir a la oficina de Kentucky Career Center, si necesita asistencia para traducir y entender la información contenida en el documento(s) que recibió, puede encontrar su oficina local en: www.kentuckycareercenter.com



Equal Education and Employment Opportunities M/F/D

11825589 : 49336536

00230830

Program code: 01

BYE 08/06/2020

If the Office of Unemployment Insurance (OUI) conducts an investigation of a potentially disqualifying issue, and you are the employer affected, you'll receive a Notice of Determination (UI-492) indicating OUI's decision, which may relate to benefit rights, chargeability or both. **The claimant or employer may appeal this decision (instructions on bottom of form) within 15 DAYS of the date the determination is mailed.**

NOTICE OF DETERMINATION

SSN: Claimant Ref #: Effective Date: 04/14/2019 Issue: Able & Available Detection Date: 04/19/2019	Commonwealth of Kentucky Education and Workforce Development Cabinet Office of Unemployment Insurance 275 East Main Street - 2EC Frankfort, Kentucky 40621 kcc.ky.gov	BYE: 04/11/2020 Claim: UI Local Office: 56 Date Mailed: 05/06/2019 WFDI3VV
--	--	--

INTERESTED PARTIES**DETERMINATION**

Date(s): 04/14/2019

The Office has determined the claimant is **not eligible** (not payable) to receive unemployment benefits in regard to the above listed issue.

The claimant is ineligible for benefits for the 1-week period from 04/14/2019 through 04/20/2019.

Statutory Reference(s) which apply to the above issue(s): KRS 341.350 (5)

FINDINGS

Kentucky Unemployment Insurance Law provides that, to be eligible for benefits, a worker must meet each of the following conditions: (a) physically able to work; (b) mentally able to work; (c) available for suitable work; and (d) making a reasonable effort to obtain work as might be expected of a prudent person under like circumstances. The findings of fact establish the claimant is, or was, not making a reasonable effort to obtain work as might be expected of a prudent person under like circumstances.

Amending claim for one week that the claimant failed to complete a work search. The week ending 04/20/19 does not meet the qualifying standards.

APPEAL RIGHTS

Any party who disagrees with this determination should:

- Submit, in writing, the reason you disagree with this determination.
- The document must include claimant's name, social security number, and your contact information.
- The written appeal must be received or postmarked by 05/21/2019.
- Private postage meters shall not be used to determine postmark date.

If the due date of the appeal falls on a day that the office or post office is closed, the next day the office or post office is open shall be considered the due date. KRS 341.420(2), 787 KAR 1:110 Section 1(1), and 787 KAR 1.230

UI Appeals Branch -275 East Main Street, 2EB, Frankfort, KY 40621, FAX 502-564-7850

ATTENTION CLAIMANT: CONTINUE TO CLAIM BENEFITS WHILE YOUR CLAIM IS UNDER APPEAL. IF THE DECISION IS IN YOUR FAVOR, BENEFITS MAY BE PAID ONLY FOR THE WEEKS PROPERLY CLAIMED.

¡IMPORTANTE! Este documento(s) contiene información importante sobre sus derechos, obligaciones y/o beneficios de compensación por desempleo. Es muy importante que usted entienda la información contenida en este documento.

INMEDIATAMENTE: Si necesario, por favor de ir a la oficina de Kentucky Career Center, si necesita asistencia para traducir y entender la información contenida en el documento(s) que recibió, puede encontrar su oficina local en: www.kentuckycareercenter.com

The chargeable employer is the last employer the claimant worked for in each of 10 weeks whether or not consecutive back to the beginning of the workers' base period.

UI-448-SM
(R. 6/19)

COMMONWEALTH OF KENTUCKY
OFFICE OF UNEMPLOYMENT INSURANCE
FRANKFORT, KENTUCKY 40621-0001



ACCOUNT NO.		VOID CODE	
FOR QTR. ENDED		MAILING DATE	

[illegible]

IMPORTANT: SEE OTHER SIDE OF STATEMENT FOR INFORMATION

WHEN CAN I BE RELIEVED OF CHARGES?

A tax-paying employer's reserve account may be relieved of charges if the employer notifies the Office of Unemployment Insurance (OUI), in writing, of the alleged voluntary quit or discharge or of continuing employment within the specified time limit.

WHAT IF A CLAIMANT GOES BACK TO WORK BUT CONTINUES TO RECEIVE BENEFITS?

OUI checks benefit claimant records against the wage reports filed by employers, and the State Directory of New Hires, in a process called crossmatching. If we find a potential case of an individual drawing benefits for the same period of time that wages have been reported or drawing benefits subsequent to the new hire date, we mail a crossmatch audit form UI-203 to the employer reporting the wages or the hiring. As OUI attempts to ensure that all benefits are paid properly, and as part of our review, you may receive a "crossmatch" audit form UI-203:

Rev 09/2011

Education Cabinet
Office of Unemployment Insurance
Integrity Branch
275 E. Main St. (2ED)
Frankfort, KY 40621
Phone: (502)564-2387

Overpayment and Fraud Detection

Mailing Date:
Claimant:
SSN:
Case #:

Employer Instructions:

This agency is auditing an Unemployment Insurance claim filed by the individual named on this form. Please provide information for all past weeks listed on the back of this form.

For the purpose of Unemployment Insurance, wages are considered to be earned during the week the work is performed, regardless of when the claimant is paid for the work. A benefit week begins on Sunday and ends the following Saturday. Please enter the gross wages earned for the claimant during the week(s) specified on the UI 203.

If your payroll is in a form other than a calendar week (Sunday to Saturday), please make the necessary calculations to ensure that wages shown on the form are for the calendar week and represent the period for which wages were earned, not paid. Please enter the individual's gross wages for the week and show the total hours worked each day of the week in the appropriate box. Please identify Vacation, Holiday, Sick Pay, Wages in Lieu, Severance Pay, Pension and/or Other. If no wages were earned, enter "None" in the gross wages space.

The UI-203 is the agency's way of safeguarding the employer's reserve account. By completing this audit form you will be enabling us to prevent possible fraud. If future weeks are reflected on this form, information should be provided *only up to the current week*. Please do not hold the form until the future weeks expire. Sign, date and return the UI 203 in the enclosed envelope within 10 days of the mailing date on the form.

Wage audits are our most effective method of detecting Unemployment Insurance Fraud. If the claimant referenced above has never worked for you or if the social security number listed does not correspond to the one you have for the individual, please indicate on the form and return to us. Your efforts will help us maintain the integrity of the Kentucky Unemployment Insurance Program.

NOTE: COMPLETION OF THIS FORM IS REQUIRED UNDER KENTUCKY UNEMPLOYMENT COMPENSATION REGULATION 787 KAR 1:010 AND KRS 341.190.

YOU NOW HAVE THE OPTION TO PROVIDE THE RESPONSE TO THIS FORM ELECTRONICALLY. PLEASE VISIT OUR WEBSITE AT <http://kewes.ky.gov>. FOR ADDITIONAL INFORMATION AND TO SIGN UP FOR THESE SERVICES.

Please do not fax, mail only to the address shown above. No attachments accepted.

¡IMPORTANTE! Este documento(s) contiene información importante sobre sus derechos, obligaciones y/o beneficios de compensación por desempleo. Es muy importante que usted entienda la información contenida en este documento.

INMEDIATAMENTE: Si necesita asistencia para traducir y entender la información contenida en el documento(s) que recibió, llame al 502 564-2387.

Home /

Submit Quarterly Report
Employer Registration
TPA Registration
Close Employer Account
Request a Refund
Pay by EFT/Credit Card
Address Update
Report Misclassification or Fraud
Claim Separation Response (SIDES)
Wage Audit Response (UI-203)
Employer Documents

Site Enhancements and Electronic Reporting

Kentucky's Unemployment Insurance Self-Service Web



Employers may perform the following main actions:

- Submit quarterly tax reports over the Internet through either an on-screen form or a file upload option
- Retrieve information about the Kentucky Unemployment Insurance program
- Pay taxes by Electronic Funds Transfer (EFT)
- Establish a new Unemployment Insurance Account

2019 Updates and Changes

- 2019 Contribution Rate Notices were mailed out on December 1, 2018.
- 2019 Contribution Rates are set based on [Rate Schedule A](#). This is the lowest rate schedule since 2003.
- 2019 Contribution Rates will be reduced by an additional 0.075% for the [SCUF assessment](#). Your Contribution Rate Notice should display a "UI Rate" based on your calculated Reserve Ratio, an "Adjusted UI Rate" from the SCUF reduction, and a "SCUF Rate" that is set at 0.075%. Please utilize the [Adjusted UI Rate](#) and the [SCUF Rate](#) when calculating the total amount due on your quarterly report filings.
- 2019 [Taxable Wage Base](#) per worker will **increase by \$300 to \$10,500 per worker**. Please be sure to make this adjustment prior to filing your 1st quarter 2019 report during April 2019.
- Kentucky employers are eligible to claim the full [FUTA credit](#) of 5.40% when filing your 2018 IRS 940 Forms in January 2019. This will reduce your FUTA contribution rate to 0.60% (6.00% - 5.40%). The FUTA taxable wage base remains at \$7,000 per worker.

Important Notice Regarding Contribution Rates

During the 2018 Legislation Session, the General Assembly enacted the [Service Capacity Upgrade Fund \(SCUF\)](#), through HB 487, Section 139. Per KRS 341.243, all contribution rates beginning with the 3rd quarter of 2018 shall be reduced by 0.075%, in order to implement SCUF. There is no increase or decrease in the total amount of tax you will pay. This reduction will divert 0.075% of the contributions that would have been applied to your employer reserve account, and apply to SCUF. In addition, you will not be able to claim SCUF payments on your Federal Unemployment Tax filings. Below is an example of how your 2018 reporting periods will change:

If your established contribution rate for the 1st and 2nd quarters of 2018 is:

Home / IRME Account Login

Submit Quarterly Report
Employer Registration
TPA Registration
Close Employer Account
Request a Refund
Pay by EFT/Credit Card
Address Update
Report Misclassification or Fraud
Claim Separation Response (SIDES)
Wage Audit Response (UI-203)
Employer Documents

Site Enhancements and Electronic Reporting

IRME Account Login

*KEIN or TPA number
*Password

[Forgot your password?](#) or [Change your password](#)

Note: please enter the 8 or 9 digit Kentucky Employer Identification Number (KEIN) or Third Party Administrator Number (TPA) as shown on your report without spaces. [KEIN Examples](#)

[Policies](#) [Security](#) [Disclaimer](#) [Accessibility](#)



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[Kentucky.gov](#)

BARTS-IRME

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Wage Audit Notice Entry

Employer Information

Account Number	0000	Employer Name	
----------------	------	---------------	--

Employer Information - Please enter the following required information

Employer Representative				(first and last name)
Title				
Phone		Ext.		(xxx-xxx-xxxx)
E-mail Address				

[Back](#)
[Next](#)
[Cancel](#)

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[Help](#)

Wage Audit Notice Entry

Employer Information

Account Number	0000	Employer Name	
----------------	------	---------------	--

SSN	First Name	Last Name	Date Sent	Audit Begin	Audit End	Page	View	Enter Wages
		HUGHES	10/30/2018	03/26/2017	09/30/2017	1	View	Enter
		LEWIS	10/30/2018	03/26/2017	09/30/2017	1	View	Enter
		MCKAY	10/30/2018	03/26/2017	09/30/2017	1	View	Enter
		POYNTER	10/30/2018	03/26/2017	09/30/2017	1	View	Enter
		FORD	10/30/2018	03/26/2017	09/30/2017	1	View	Enter
		LYONS	10/30/2018	03/26/2017	09/30/2017	1	View	Enter
		SIMMONS	10/30/2018	03/26/2017	09/30/2017	1	View	Enter
		SCOTT	10/30/2018	03/26/2017	09/30/2017	1	View	Enter
		HARRIS	10/30/2018	03/26/2017	09/30/2017	1	View	Enter
		TODD	10/30/2018	03/26/2017	09/30/2017	1	View	Enter
		OBRYAN	10/30/2018	03/26/2017	09/30/2017	1	View	Enter
		SMITH	10/30/2018	03/26/2017	09/30/2017	1	View	Enter
		BRANDLE	10/30/2018	03/26/2017	09/30/2017	1	View	Enter
		ALCORN	10/30/2018	03/26/2017	09/30/2017	1	View	Enter
		BRITTON	10/30/2018	03/26/2017	09/30/2017	1	View	Enter
		MASTERTSON	10/30/2018	03/26/2017	09/30/2017	1	View	Enter
		VEIRS	10/30/2018	03/26/2017	09/30/2017	1	View	Enter
		SOUTHERLAND	10/30/2018	03/26/2017	09/30/2017	1	View	Enter
		CARTER	10/30/2018	03/26/2017	09/30/2017	1	View	Enter
		LINTON	10/30/2018	03/26/2017	09/30/2017	1	View	Enter

[View Page | 1 2 3 4 5 6 7 8 9 10 ...](#)

[Click here](#) to enter wages for a document that does not appear in the list.

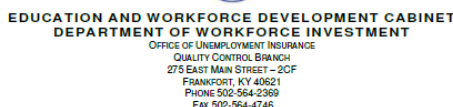
[Manage Email Settings](#)

[Help](#) | [Logout](#) | [Contact Us](#)

These crossmatch audits are very important in detecting improper benefit payments. **COMPLETING AND RETURNING THE UI-203 (EITHER BY PAPER OR ONLINE THROUGH IRME) GREATLY ASSISTS US IN DETECTING FRAUDULENTLY CLAIMED BENEFITS AND ENSURING THAT YOUR ACCOUNT IS CHARGED CORRECTLY.** Even if the benefits are not being charged to your account, overpayments can cause all employers to pay higher taxes. If you receive a crossmatch audit, please be sure to fill in wages paid.

NOTE: Kentucky does not subscribe to “The Work Number.” Therefore, employers and third party administrators who use the site must still complete the UI203 (by paper or electronically) with information requested by the Office of Unemployment Insurance.

Yes. Although it is not possible to thoroughly investigate every claim, our quality control program conducts random audits of claims and uses the results to detect incorrect payments and improve the overall quality of the benefit process. Investigations are conducted involving wage audits and work search verification. If your company is selected to participate, you will receive a letter like the one below along with a Benefit Accuracy Measurement (BAM) Form 13A. Your cooperation with these audits assist us in verifying the claims are properly paid or denied and that wages are accurately reported. If you have questions about an investigation, you can contact the Benefit Accuracy Measurement team at UIBAM@ky.gov or 502-564-2369.



01/01/2019

Office of Unemployment Insurance
275 E Main St
2CF
Frankfort, KY 40621

Claimant: Jane Doe
SS#: XXX-XX-6789
Batch #: 201906-01

To Whom It May Concern:

The Kentucky Division of Unemployment Insurance, Benefit Accuracy Measurement Program, conducts surveys on unemployment insurance claims to help us determine the correctness of prior decisions that determined claimant's eligibility for unemployment insurance benefits. ***This is required by the U.S. Department of Labor and under the authority granted by Kentucky Revised Statutes, section KRS 341.190.***

The claim of the above-referenced individual, who was previously employed by your *or* selected for review. *The claim was not selected because we have reason to suspect that* order for us to properly evaluate this claim, it is necessary for us to obtain information about the claimant's employment and wages with your company. **Please provide digital payroll information (including, but not limited to: salary, overtime, bonuses, etc.) paid 10/01/2015 and 01/05/2019, or the last day worked.** Also, please complete the sur documentation fully and return.

Your prompt attention is appreciated. Please complete all questions and return via e-01/02/2019 at 12:00 PM EST.

Should you have any questions concerning this request, please contact me immediately.

Thank You

Benefit Accuracy Measurement Investigator
Phone: 502-564-2369 x 3494
Direct: (502) 782-3494
Fax: 502-564-4746
UIBAM@ky.gov
Attachments

Benefit Accuracy Measurement Employer Verification					Batch / Seq: 201847-2		Claim Type: 01		
Claimant Name: John Doe					Employer Account #:		Claimant SSN: cSSn		
Employer: ABC Employer					Employer Address:		Contact Person:		
Employer Address:					Phone:		Fax:		
Claimant Hired on:		Separated on:		Last Day Worked prior to a/E/Ends:		States worked in:		Other SSN or Name used: while employed in last date year? ☐ Yes ☐ No If Yes, provide it:	
Claimant provided I-9 Employment Eligibility / Verification Information				☐ - US Citizen ☐ - Alien Authorized to Work ☐ - Lawful Permanent Resident		Alien #			
Payroll frequency: Circle answer: Daily, Weekly, Biweekly, Semi-Monthly, Monthly, Commission				Pay Period begins on what day of the week? And ends on what day?			Pay Day is on what day of the week?		
Recall Status? ☐ Yes ☐ No If "Yes", check the type: ☐ Union ☐ Company Union ☐ Company Policy ☐ Other Contract or Agreement				Does the claimant have recall rights? ☐ Yes ☐ No Claimant actively employed? ☐ Yes ☐ No Rate of pay when employed? \$ Per					
Type of work (Check all that apply) ☐ Full time ☐ Part time ☐ Contract worker ☐ Federal ☐ Military ☐ Seasonally									
Claimant Job title:					Claimant Job Responsibilities/Duties:				
CHECK SEPARATION TYPE: ☐ Quit / ☐ Fired or Discharged / ☐ Permanent layoff - Reduction In Force / ☐ Temporary layoff / ☐ Still working / ☐ Retirement / ☐ Leave of Absence / ☐ Other (Explain Below)									
Explain separations except lack of work/layoff:									
Did you receive a notice of claim (UT-412A or other notice)? Yes ☐ No ☐ If "YES," did you return it? Yes ☐ No ☐									
If wages were not for any time period after last day worked, please complete the following:									
TYPE OF PAY		S. AMOUNT		# OF WEEKS		DAYS COVERED			
Accrued Vacation									
Holiday / Sick									
Last Pay Period									
Commission / Bonus									
Wages in Lieu of Notice									
Severance / Separation Pay									
Pension - Employer contribution plan? Yes or No									
- If "YES" did the claimant contribute? Yes or No									
BASE PERIOD YEAR - FROM (a.BPBegin) TO (a.BPEnd)									
Year/Quarter: aBY1s / aBQ1s		SoBP_Q1s		Year/Quarter: aBY2s / aBQ2s		SoBP_Q2s			
IMPORTANT: Please enter each pay period end date and gross pay for each payday in the quarter. If the amounts for all weeks do not match the original amount reported by you - please call	PAY PERIOD BEGIN AND END DATES		PAYDAY	GROSS PAY	PAY PERIOD BEGIN AND END DATES		PAYDAY	GROSS PAY	
TOTAL AUDITED									
UTALM434a-13B Revised 07/2015		Information obtained by: ☐ E-MAIL ☐ FAX ☐ MAIL ☐ IN PERSON ☐ PHONE							

WHAT CAN I DO IF I THINK A CLAIMANT IS RECEIVING BENEFITS FRAUDULENTLY?

Investigations are performed on all fraud tips. If you have information that someone is improperly receiving benefits, report this to the Fraud Section at (502) 564-2387 or you can submit an anonymous tip at www.kcc.ky.gov.

INTERNAL SECURITY

In addition to quality control and fraud detection efforts, the integrity of the UI Program is further protected by internal security measures designed to provide the maximum security against internal fraud and ensure computer security.

WHAT HAPPENS TO THE CLAIMANT IF BENEFITS ARE OVERPAID?

We expect the claimant to repay the improperly paid benefits. We use several methods to collect overpayments, including:

1. Kentucky income tax refunds and federal income tax refunds are intercepted annually on individuals with outstanding overpayments;
2. Criminal charges may be filed and pursued in court. Unemployment fraud is a Class D felony if found guilty;
3. Liens may be filed against real and personal property;
4. Civil action may be initiated for collection of unpaid overpayments;
5. Future benefits may be reduced and the balance applied to the overpayment;
6. Interest is imposed monthly on the balance of benefits paid as a result of false statements, misrepresentation, or concealment of a material fact, if not repaid within one year from the date that the claimant is notified of the overpayment;
7. We may enter into agreements with other states and the U.S. Department of Labor for the purpose of intercepting benefits paid on claims in other states or federal unemployment programs. Employer reserve accounts are credited for the amount of benefits that are overpaid.

WHAT HAPPENS IF A WORKER IS AWARDED BACK PAY FOR A PERIOD WHEN HE/SHE HAS ALSO RECEIVED BENEFITS?

A worker is not eligible for benefits for the period covered by the back pay award. Therefore, his claim will be treated as overpaid and the Office of Unemployment Insurance will recover the overpayment from the award.

CAN I FILE A MASS UNEMPLOYMENT INSURANCE CLAIM FOR MY EMPLOYEES?

Maybe. Filing Unemployment Insurance (UI) mass electronic claims (E-claims) is easy and is less time for the employer, the employee, and the Office of Unemployment Insurance. To participate in E-claims, affected workers must have a recall date to work within four (4) calendar weeks. In addition, your company must have a workforce of at least 100 workers and at least 25 employees must be included in the layoff.

To receive more information, you will need to contact our E-claims team in the Quality Control Branch at UIeclaims@ky.gov or 502-564-2369. This email is dedicated to E-claims. You should contact us at least four weeks prior to your layoff period to ensure information is submitted in a timely fashion and your mass employer filed claim can be processed.

APPEALS

IF I DISAGREE WITH A DECISION OF THE OFFICE OF UNEMPLOYMENT INSURANCE (OUI), CAN I APPEAL?

Yes. Practically every action of OUI affecting an employer or a worker may be appealed for review by an impartial referee or hearing officer. Appeals from **benefit determinations** may be made by either the employer or the claimant and are heard by an Appeals Branch referee. If either party is dissatisfied with the decision of the referee, a further appeal may be filed with the Unemployment Insurance Commission, and thereafter, through the courts.

Appeals for **tax determinations** (employer-employee relationship, liability determinations, tax rate, notices of assessments, etc.) are filed directly with the Unemployment Insurance Commission. Parties who are dissatisfied with a decision of the Commission may continue their appeals through the Franklin County Circuit Court.

The chart below summarizes the steps in the appeals process. Please pay particular attention to the number of days specified for each type of appeal - **FILING YOUR APPEAL ON TIME IS ESSENTIAL FOR PROTECTING YOUR APPEAL RIGHTS**. Remember that appeals from claims must be filed from the very first notice you receive.

YOUR RIGHTS OF PROTEST AND APPEAL

BENEFITS

- Employer's Notice of Initial Claim (UI-412A): submit your protest by paper documentation within ten days after the date of the first notice or twelve days after first notice if submitting the protest electronically.
- Notice of Potential Benefit Charges (UI-412): submit your protest by paper documentation within ten days after the date of the first notice or twelve days after first notice if submitting the protest electronically (if first notice received).
- Notice of Adjusted Determination (UI-492): appeal to referee, file within 15 days of mailing date of determination
- Referee's decision: appeal to UI Commission, send letter stating intent to appeal, file within 15 days of mailing date of referee decision
- UI Commission Order: appeal to Circuit Court in county where claimant was employed, file within 20 days of mailing date of UI Commission order

TAX

- Notice of Tax Determination (Liability, Tax Rate, Assessment, Employer-Employee Relationship, Successorship, etc.): appeal to UI Commission, send letter stating intent to appeal, file within 20 days of mailing date of tax determination
- UI Commission Order: appeal to Franklin Circuit Court, file within 20 days of mailing date of UI Commission Order

HOW DO I FILE AN APPEAL?

KRS 341.430 (2) informs that an appeal to a tax determination may be filed by an employing unit within twenty (20) days after such a determination was **mailed to the employing unit's last known address (address of record)**. **Therefore, to ensure receipt of your appealable documents, it is important that you (the employer) keep the Office of Unemployment Insurance (OUI) informed of any status changes in your business, including your correct address of record. Such status updates may be provided in writing to OUI.**

The party filing the appeal must do so within the number of days specified on the Appeals Rights Chart (see previous page) from the mailing date of the decision being appealed. **APPEALS MUST BE MADE IN WRITING AND MUST INCLUDE THE SOCIAL SECURITY NUMBER OF THE CLAIMANT (if applicable) or employer KEIN if a tax determination.** A letter to the Appeals Branch or to the UI Commission stating the intent to appeal is sufficient. Appeals may be addressed as below:

For Benefits determinations send appeals to:

UI Appeals Branch
275 East Main St, 2E
Frankfort, KY 40621
Fax (502) 564-7850

For Tax Determinations send appeals to either:

UI Tax Enforcement Branch
275 East Main St, 2E-H
Frankfort, KY 40621
Fax (502) 564-5590

OR

UI Commission
275 East Main St, 2W
Frankfort, KY 40621
Fax (502) 564-3562

The appealing party **may withdraw an appeal** by informing the UI Appeals Branch, UI Tax Enforcement Branch, or UI Commission, in writing. If you withdraw your appeal, the determination becomes final and there is no further right to appeal.

IMPORTANCE OF THE HEARING

NOTE: The comments below refer to appeal hearings involving both an employer and claimant; however, the process for appeals to the UI Commission on tax-related issues is essentially the same.

The referee will decide the appeal solely on the testimony and documents submitted at the hearing. The Appeals Branch (or UI Commission) will keep a recording of the proceeding for future proceedings. However, the hearing will not be kept indefinitely; it will only be kept until the time limits for appeal have lapsed. Therefore, you should be fully prepared to present your case at the hearing, and to present all your evidence in an orderly manner.

Be on time, as the referee has other cases to hear, and a delay may cause your case to be rescheduled or to be submitted on the facts already presented. Continuance will be granted only in cases of emergency or other compelling reasons such as claimant's inability to attend due to current employment; medical emergence; death of a family member, or acts of God.

WHO SHOULD ATTEND THE HEARING?

The employer and the claimant (when applicable) should attend the hearing. Any witness who testifies on behalf of the claimant or employer should have personal knowledge of the events in question.

Hearings may be scheduled in person, but most are by teleconference in order to provide the earliest hearing date. If a hearing is scheduled by teleconference, and you have any documents or written materials which you want the referee to consider in this hearing, send them immediately to the UI Appeals Branch or the UI Commission at the address on the top of the "Notice of Hearing." You must also send a copy of these documents to the other party (if applicable). Failure to send a copy to the other party could result in the referee denying entry of the material or the case being continued to a later date. Be sure to keep a copy of these documents for your own use at the hearing. Be sure to include the social security number of the claimant (when applicable) if sending any documentation or communication.

Attorneys or other duly authorized agents of their own choosing may represent the claimant and the employer, but this is not required. The referee will assist both parties at all times to bring out facts that will be helpful in properly presenting their cases.

An officer who regularly performs in a managerial capacity for a corporation or partnership who is a party to an appeal may represent the corporation or partnership at the hearing. He or she may testify, ask questions to all witnesses, object, make motions, inspect exhibits and summarize his or her case.

WHAT INFORMATION SHOULD YOU GIVE AT THE HEARING?

The claimant or employer should bring all reports and records that might prove his or her case, such as records of absences, doctor's statements, information concerning pay rate, previous warnings, etc. In tax determination hearings, the employer should bring all business records related to the determination under appeal. Witnesses should be prepared to answer all questions. Subpoenas for witnesses or records may be issued prior to the hearings, if necessary. Requests for subpoenas must be sworn statements setting forth the name and address of the party to be subpoenaed, the information the party may present at the hearing, and the need for the information.

YOUR RIGHTS AT THE HEARING

Each party (claimant and employer) has these rights:

1. To testify in his or her own behalf.
2. To be represented by an individual of his or her own choosing.
3. To present documents and records regarding the case.
4. To have his or her own witnesses testify.
5. To question opposing parties and witnesses.
6. To explain or rebut evidence against him or her.

CONDUCT OF THE HEARING

The referee has the sole authority for the conduct of the hearing and will swear in all parties and witnesses before they begin to give testimony. In conducting the hearing, the appeals referee will:

1. Explain the issues and the meaning of terms the parties do not understand.
2. Explain the order in which persons will testify. Generally, in voluntary quit cases the claimant testifies first. When the case concerns the discharge of a claimant or a labor dispute, the employer generally testifies first.
3. Assist parties in asking questions of other witnesses.
4. Question parties and witnesses to obtain necessary facts.
5. Determine on his or her own motion or the request of a party whether testimony and documents being offered should be received and considered.
6. Require parties to give a proper background or foundation for secondary evidence, documents and opinion testimony.

Following the close of the hearing, the referee is not allowed to discuss any matter with either party. The written decision is based solely on testimony and evidence presented at the hearing.

THE DECISION

The decision will be mailed to the parties promptly. The decision will set forth the facts found from the evidence presented, the reasons for the decision and the decision itself. If you appeal a benefit determination, you will receive a referee decision:

Education and Workforce Development Cabinet
Office of Unemployment Insurance
Appeals Branch



275 East Main Street 2-EB
Frankfort KY 40621-0001

AD# 1972175 A
SS# XXX-XX-5589
LO# 75
Mailed 06-12-19

REFEREE DECISION

APPELLANT

JOHN DOE

APPELLEE

ACME

EFFECTIVE DATE

12-23-18

APPEAL FILED

05-21-19

DATE OF HEARING

06-11-19

STATEMENT OF THE CASE: The claimant appealed a determination dated May 10, 2019, finding the claimant voluntarily quit suitable work without good cause attributable to the employment and ruling the claimant disqualified from receiving benefits from March 17, 2019, until the worker has worked in each of ten weeks, consecutive or not, and has earned ten times the weekly benefit rate in covered employment. The employer was awarded relief from charges to its reserve account.

ISSUE: Whether the claimant was discharged for misconduct or dishonesty or voluntarily quit suitable work without good cause attributable to the employment.

APPEARANCES: The claimant and the employer did not appear.

DECISION: The determination is affirmed. The claimant voluntarily quit suitable work without good cause attributable to the employment and is disqualified. The employer's reserve account is relieved of charges.

REASONS: 787 KAR 1:110 provides that the referee shall summarily affirm a determination if the appellant fails to appear and prosecute the appeal. The claimant is the appellant. The determination's ruling is allowed to stand.

UI Appeals Referee II

¡IMPORTANTE! Este documento(s) contiene información importante sobre sus derechos, obligaciones y/o beneficios de compensación por desempleo. Es muy importante que usted entienda la información contenida en este documento.

INMEDIATAMENTE: Si necesario, por favor de ir a la oficina de Kentucky Career Center, si necesita asistencia para traducir y entender la información contenida en el documento(s) que recibió, puede encontrar su oficina local en: www.kentuckycareercenter.com

If you appeal a referee decision on a benefit issue to the UI Commission, the Commission will decide the case based upon the record of the hearing before the Appeals Referee. The UI Commission does not conduct an additional hearing. However, under its authority, the UI Commission may remand the case to the Appeals Branch for the taking of additional testimony or evidence.

If you appeal a tax-related determination, or if you appeal a referee decision to the UI Commission, you will receive a Commission Order:

CO# 143597A
SS# XXX-XX-5311
LO# 56

AD# 19-70136 A
REC'D 04-29-19 AB

MAILED 06-06-19 DIS A
COUNTY JEFFERSON

COMMONWEALTH OF KENTUCKY
KENTUCKY UNEMPLOYMENT INSURANCE COMMISSION
FRANKFORT

APPELLANT

APPELLEE

JANE DOE

ACME

ORDER AFFIRMING

The claimant appeals from a referee decision mailed April 12, 2019, which held benefits were not payable from January 27, 2019, through the duration of the subsequent period of unemployment, on a finding of discharge for reasons of misconduct connected with the employment. An overpayment of \$2,745.00 was established on the claim. The employer's reserve account was relieved of charges.

FINDINGS OF FACT

The claimant was employed by the employer in Shelbyville, Shelby County, Kentucky, beginning in September 2014. The claimant last worked for the employer on January 18, 2019, as a caretaker for horses earning \$450.00 per week in full-time employment. The employer discharged the claimant on February 1, 2019, due to unsatisfactory attendance.

The employer has no formal attendance policy but it expects employees to be at work when they are scheduled. Employees are to notify the employer prior to the start of their shift if they are going to be late or absent.

The claimant was absent for unknown reasons on October 12, 2018, January 3, 4, 15, 29, and 31, 2019. The claimant was tardy for unknown reasons on December 17 and 26, 2018, and January 12 and 28, 2019. The claimant also left work early on January 28, 2019.

The employer met with the claimant to give her verbal warnings and explain to her that her attendance was important. Sometime in January 2019, the claimant gave notice that she was going to need to quit due to family issues and her last day would be March 1, 2019. The claimant had not been calling the employer to let them know she would be late or absent prior to her shift start. This was reemphasized to the claimant as it was necessary to provide proper care to the horses.

The claimant's notice of quitting did not have anything to do with her termination. The employer needed the claimant at work to educate the staff about her duties prior to her leaving. Had her attendance been satisfactory she would not have been terminated during the notice period. The employer discharged the claimant on February 1, 2019, due to unsatisfactory attendance.

KENTUCKY CAREER CENTER LOCAL OFFICE DIRECTORY

Please call your nearest local office whenever you need information or assistance with unemployment insurance matters.

CITY	TELEPHONE	FAX NUMBER	STREET ADDRESS
Bowling Green	(270) 746-7425	(270) 746-7825	803 Chestnut Street
Covington	(859) 292-6666	(859) 292-6675	1324 Madison Avenue
Elizabethtown	(270) 766-5115	(270) 766-5183	233 Ring Road
Hazard	(606) 436-3161	(606) 435-6039	412 Roy Campbell Drive
Hopkinsville	(270) 889-6509	(270) 889-6599	110 Riverfront Drive
Lexington	(859) 233-5940	(859) 225-5106	1050 Goodwin Avenue
Louisville	(502) 595-4003	(502) 595-4623	600 West Cedar Street
Morehead	(606) 783-8525	(606) 783-8529	1225 US 60W Suite 106
Owensboro	(270) 686-2502	(270) 687-7268	3108 Fairview Drive
Paducah	(270) 575-7000	(270) 575-7008	416 South Sixth Street
Prestonsburg	(606) 889-1772	(606) 889-1775	686 North Lake Drive
Somerset	(606) 677-4124	(606) 677-5642	410 East Mount Vernon

UNEMPLOYMENT INSURANCE FIELD AUDITORS

The UI Field Auditors are another resource you may contact with UI Tax questions. Below are the cities and phone numbers (and fax numbers, if available) of auditors based on residence or field office.

<u>City</u>	<u>Phone</u>	<u>Fax</u>
Ashland	(606) 254-6215	
Bowling Green	(270) 746-7440	(270) 746-7864
Campbellsville	(270) 465-0085	
Corbin	(606) 401-7417	
Corbin	(606) 261-2118	
Covington	(859) 292-6797	(859) 292-6675
Crestwood	(502) 495-3636	
Elizabethtown	(270) 766-5019	(270) 766-5183
Georgetown	(502) 316-0049	
Glasgow	(270) 427-9293	
Harlan	(502) 229-3654	
Harlan	(606) 621-5100	
Harrodsburg	(859) 325-8364	
Hickory	(270) 705-8856	
Hillview	(502) 742-3808	
Lawrenceburg	(502) 604-5140	
Leitchfield	(270) 200-0518	
Lexington	(859) 270-9601	
Lexington	(859) 382-7405	
Lexington	(859) 523-3846	
Louisville	(502) 473-9998	
Louisville	(502) 495-3535	
Louisville	(502) 594-8006	
Louisville	(502) 595-4892	(502) 595-4436
Madisonville	(270) 871-0023	
Madisonville	(270) 245-7459	
Midway	(502) 642-3887	
Morehead	(606) 356-2526	
Mount Sterling	(859) 432-1038	
Murray	(731) 642-4968	
Owensboro	(270) 687-7215	(270) 687-7080
Paducah	(270) 575-7060	(270) 575-7008
Pikeville	(606) 253-3180	
Prestonsburg	(606) 889-1754	(606) 889-1775
Prestonsburg	(606) 889-1779	(606) 889-1775
Robinson Creek	(606) 213-0231	
Somerset	(606) 677-4124	(606) 677-4119
Taylorsville	(502) 939-7475	
Vanceburg	(606) 541-4665	
Winchester	(859) 490-8741	