

**Alaska Department of Labor and Workforce Development
Employment Security Tax
P.O. Box 115509
Juneau, AK 99811-5509**

**Employer Option Form
For Rating Purposes Only**

The Alaska Employment Security Act provides an experience rating system for the determination of employer contribution rates. Alaska's system is based on quarterly payroll declines. Each employer's rate is based on declines in total reportable wages (not taxable wages) from quarter to quarter over a one- to three-year period (minimum of four quarters and maximum of 12 as shown on the annual rate notice), depending upon how long the employer has been in business.

There are several types of payments made by some employers that tend to create artificial quarterly declines in payroll. They are:

- Bonuses and/or lump sum payments for service performed over a period of more than three months
- Seven bi-weekly pay periods for those employers who pay bi-weekly, thus creating an extra seventh pay period for two quarters during a calendar year
- Labor disputes resulting in stoppage of work
- A change in accounting practices

The Employer Option Form is used to list the information necessary to examine the possibility of either eliminating or decreasing the quarterly payroll declines for rate purposes. An employer can choose to either delete or apportion the above wage payments to even out quarterly payroll declines and possibly obtain a more favorable experience rate.

Careful consideration should be given to the choice of an option method, as once an option method is chosen, it is effective for future years and may not be changed without approval. Employers are responsible for filing an Employer Option Form that includes all quarters of the rating period in which their artificial decline situation arises. Employers have until June 30 to submit options reducing the previous year's tax rate. Options for the above types of wage payments are to be submitted for each quarter reflected on the annual rate notice. Please refer to the rate notice you received for the year for which you are submitting options.

If you have any questions concerning the option process or completion of this form, call the Employer Accounts Unit in Juneau or your local Field Tax Office.

Office	Telephone	Fax
Juneau - Employer Accts	(907) 465-2757	(907) 465-2374
Anchorage ES Tax	(907) 269-4850	(907) 269-4845
Fairbanks ES Tax	(907) 451-2876	(907) 451-2883
Juneau ES Tax	(907) 465-2787	(907) 465-2374
Kenai ES Tax	(907) 283-2920	(907) 283-5152
Wasilla ES Tax	(907) 352-2535	(907) 352-2581

Toll-Free Telephone Number to connect to your employer representative **1-888-448-2937**
if you are located out-of-state, in Canada, or in Alaska, except Anchorage,
Fairbanks, Juneau, Kenai, and Wasilla local telephone prefixes.

Toll-Free Telephone Number to connect to Central Office in Juneau **1-888-448-3527**
for all areas outside Juneau, out-of-state, and Canada.

Toll-Free Telephone Number to connect to Relay Alaska TDD/TTY **1-800-770-8973**

Option Form for Labor Disputes and/or Payroll Changes
For Rating Purposes Only

LABOR DISPUTES			
(1) Quarter Ending Date(s)	(2) Total quarterly wages as reported on your contribution report for quarters listed in Column (1).	(3) Total quarterly wages that would have been reported if there was no labor dispute.	(4) Adjusted total quarterly wages SHADED AREA FOR DEPARTMENTAL USE ONLY

Explanation: _____

PAYROLL CHANGE			
(1) Quarter Ending Dates- Each quarter listed with a payroll change must have a correction in an offsetting quarter. List the quarter with the change and the offsetting quarter.	(2) Total quarterly wages as reported on your contribution report for quarters listed in Column (1).	(3) Total quarterly wages that would have been reported if a payroll change had not occurred. A change in wages in one quarter must have an offsetting amount as a correction to another quarter.	(4) Adjusted total quarterly wages SHADED AREA FOR DEPARTMENTAL USE ONLY
(A) Quarter with change:			
(B) Offsetting quarter:			
(A) Quarter with change:			
(B) Offsetting quarter:			
(A) Quarter with change:			
(B) Offsetting quarter:			

Explanation: _____

Account Name: _____ Account Number: _____
 Contact Person: _____ Telephone Number: _____ Date: _____
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