



## Q & A regarding New Hires

**Question:** How do I submit my New Hire Reports?

**Answer:** The most convenient way to submit New Hire Reports is online at:  
<http://www.dphhs.mt.gov/csed/relatedtopics/employerinformation.shtml>

Here you will find all the information needed to submit New Hire Reports by web, file transfer, mail, fax, and phone. For more information please call our New Hire Reporting line at 1-888-866-0327 or 406-444-9290.

**Question:** How soon must I submit a report after hiring someone?

**Answer:** Both federal and Montana laws mandate that New Hires be reported within 20 days of the date of hire.

**Question:** What must be reported on each New Hire Report?

**Answer:** Each New Hire Report must contain the following information:

- Employee name
- Employee residential and mailing address
- Employee Social Security Number
- Employee Date of Hire
- Employer name, address and FEIN

**Question:** If I lay off and then re-hire an employee, or an employee returns after a leave of absence, do I need to send in another New Hire form?

**Answer:** If the employee has been temporarily separated from employment for less than 60 days, such as unpaid medical leave, an unpaid leave of absence, or a temporary or seasonal layoff, a new New Hire form is not required. However, if an employee is rehired following a formal termination or was removed from payroll records, a new New Hire form will need to be submitted.

**Question:** Do I need to do a New Hire Report on a newly hired individual who quits before the New Hire Report is due?

**Answer:** Yes. The employer/employee relationship existed and wages were earned, a New Hire Report must be submitted. Even though the employment period was short, the reported information may be the key to locating a non-custodial parent.

## Protect Your Rights in a UI Claim Appeal

During the recent prolonged recession, with much higher levels of unemployment and multiple federal benefit extensions, UI programs nationwide experienced higher levels of improper benefit payment. This increase was partially due to employers not responding timely or adequately to claim notices. Employers are valued partners in the UI program and full employer participation is critical for correct UI decisions and prevention of overpayments. While most employers comply timely to requests for information, some do not, resulting in claimants later becoming ineligible and incurring large overpayments. Federal legislation was enacted that requires all states to implement laws to address this issue.

House Bill 127 passed by the 2013 Montana Legislature becomes effective October 1, 2013. The law could affect your rights as an employer in the event an employee files a UI claim that involves your business and you fail to respond timely or completely to Department requests for information. If this occurs, you could lose your rights to be an interested party and be denied credit for benefit charges to your UI account, if claimant is found to have been paid benefits incorrectly. Employers who respond fully and timely to requests from the Unemployment Insurance Division do not need to be concerned about this new law. The purpose of this law is to prevent the issue of employer non-participation, a later appeal, and a large overpayment for the claimant. If both parties participate initially, the cost and time of appeals and overpayments can be avoided.

The UI Division makes decisions on whether to pay benefits based on information provided by the claimant, their former employer(s) and other sources. It is vital that you respond to all UI Division inquiries by the due date and provide complete responses. By not responding timely or completely, should a claimant later be found to have received benefits for which they were not entitled, your UI account may not be credited for benefit charges. In order to have an opportunity to recover those charges, you would have the additional burden of proving you had good cause for not responding timely or adequately to the Division's previous request for information.

The new law also requires Montana employers to report any rehires to the National Directory of New Hire if they have been gone from your business for more than 60 days. Please read the preceding article "Q&A Regarding New Hires" for further information on reporting new hires.

Save your business time and money by responding completely and timely to all requests for information from UI. This will preserve your rights and help us to make the correct eligibility decision the first time. For additional information regarding this new law, call 406-444-0399. Thank you for your attention to this important matter! Together we can provide the temporary safety net of unemployment insurance for those workers who are eligible and suddenly find themselves out of work through no fault of their own.



## 2014 Taxable Wage Base

The taxable wage base for experience rated employers for calendar year 2014 is \$29,000. The taxable wage base is 80% of the 2012 average annual wage in Montana.

## UI eServices for Employers

Great progress is being made on our new Unemployment Insurance tax computer system, which is scheduled for implementation in February 2014. We had good response from employers who expressed interest in helping test UI e-Services later this year. If you are interested in remote testing from your home or office but haven't yet let us know, please contact Keith Lavender by email at [klavender@mt.gov](mailto:klavender@mt.gov) or by phone at 406-449-2468.

To get the latest news and information about our new system and the opportunities you will have to do more UI business online, go to our website at: <http://dli.mt.gov/ui-eservices>. This website is updated as new information becomes available, so be sure to check it periodically.

## Quarterly Report Reminders

Late Fees? The UI quarterly wage report for the third quarter of 2013 should be postmarked by October 31, 2013 to avoid late charges, even if you paid no wages during the quarter. You can save money by filing and paying on time. Late payment interest is computed at 1.5% a month. Late file penalty is \$25.00. By filing and paying timely, you can avoid the late file penalty and interest as well as a \$50.00 penalty that is assessed should we have to issue a subpoena to get the quarterly wage report.

If you can't pay in full, pay as much as you can and attach a note to the report stating how you plan to pay the balance. If you have questions about the Statement of Account, give us a call at 406-444-3834. Our accounts receivable staff will assist you in resolving the issue.

## Filing and Paying UI Timely Saves Money

Filing Montana Unemployment Insurance quarterly reports and making payment by the due date can result in significant cost savings to your business.

### Avoid Late File Penalty of \$25

- A late filing penalty of \$25 is assessed for reports filed after the due date. If you file late but had no reportable wages, you still are assessed a \$25 penalty for late filing.

### Avoid Higher Rates in 2014

- An employer's rate is based, in part, on their record of contributions paid as of October 1. If your account is past due, paying in full before October 1, 2013 could result in a lower rate.
- Also, employers who have not filed all quarterly reports or have a balance due when rates are calculated in early December will receive a penalty rate. A penalty rate is 50% higher than the employer's experience rate. Resolving a balance due or delinquent report(s) now may result in substantial savings in 2014. You must resolve all money and report delinquencies to avoid a penalty rate. If you have questions about your delinquencies, please call our office at 406-444-3834.

### Receive Full FUTA Credit

- Employers who do not pay their state UI contributions are not allowed the full 5.4% FUTA (federal unemployment tax) credit on their IRS form 940. Instead of paying FUTA at the 0.6% rate, employers who do not pay state UI taxes are assessed FUTA at 6.0%. Be sure to pay your state UI tax timely so you receive the full FUTA credit.

**Thank you for filing and  
paying timely!**

