



Quarterly News

Attention Real Estate Agents!

Did you know the services of real estate agents are not covered by Unemployment Insurance (UI)? This does not change if you set up a different entity, such as a corporation or LLC, to account for your commissions and expenses.

We are currently reviewing accounts and working with accountants to enforce this provision of our law. The good news is you may qualify for a refund of taxes paid! If your UI account meets the criteria, we may be able to remove the wages reported for real estate agents and, if there are no other employees, close the account.

It applies to accounts set up for:

- a. A licensed real estate agent earning commissions under a written contract with a broker. If you are a broker only receiving commissions for your sales, and are not supervising other agents, but only receiving commissions for your personal sales, this would also apply to you.
- b. An entity where the real estate agent's commissions are the primary source of income. Real estate commissions should not be included in what is reported as wages. If the entity is accounting for property management, consulting, flipping investment property, or other activities, then payments for those services are not excluded.

Background. Montana law, [MCA 39-51-204\(1\)\(d\)](#), has always had an exclusion for services performed by real estate agents, but it was difficult to enforce when another entity was used which made the payment for services appear to be a flat amount. We are rectifying the situation by asking more questions. This doesn't change your status as an employee for social security or income tax purposes, but simply enforces the law concerning the types of employment that are not covered for Montana unemployment insurance. The Federal Unemployment Tax Act (FUTA) also excludes real estate agents paid by commission.

Continued page 2....

Electronic Filing Requirement

If you are a third-party agent (payroll provider, accounting firm, CPA, etc.) filing on behalf of your clients OR an employer with 20 or more employees, you are required to file Montana Unemployment Insurance (UI) Quarterly Reports electronically ([ARM 24.11.2711](#)). Quarterly reports filed by paper that are subject to electronic filing requirements will be assessed a \$25.00 late-file penalty per report.

If you are not yet filing your reports electronically, we can help you get started. Filing electronically improves the accuracy and integrity of the reports you are submitting and prevents delayed processing time.

For a full look at our electronic filing options, go online to uieservices.mt.gov and review our [UI Contributions eFiling Handbook](#). Or contact our Customer Support Team at uieservices@mt.gov or (406) 444-3834 option 2.



ASSISTANCE *for* BUSINESS CLINIC

We are excited to report on-site, in-person sessions for the 2023 Assistance for Business Clinics! Mark your calendars!

Hamilton – May 16 th	Glasgow – June 20 th
Missoula – May 17 th	Glendive – June 21 st
Ninepipes/Lake County May 19 th	Miles City – June 22 nd
Thompson Falls – May 23 rd	Lewistown – June 28 th
Libby May 24 th	Kalispell – September 13 th
TBD – may 25 th	Billings – September 19 th
Havre – June 13 th	Bozeman – September 20 th
Cut Bank – June 14 th	Butte – September 21 st
Great Falls – June 15 th	Helena – September 27 th

More information and registration can be found at dli.mt.gov/resources/abc-clinics or contact Andy Shirliff at andy.shirliff@mt.gov or (406) 444-6171.



Real Estate Agents continued...

You may be eligible for a refund of taxes paid if all the wages reported on your account are for non-covered employees AND none of the wages have been used in a UI benefit claim (which is very rare).

Log on to [UI eServices for Employers \(uieservices.mt.gov\)](https://uieservices.mt.gov) and submit a "Refund Question" web message letting us know you are a real estate agent. If you meet the criteria under [MCA-39-51-204\(d\)](#), we can remove the wages reported, cancel your UI account and refund the taxes paid.

We cannot remove wages used to qualify for a UI benefit claim, but any wages not included in a claim, may be removed and the tax paid on those wages refunded. This ensures there will be no benefit overpayment and prevents future claims.

If the wages reported on your account include both covered and non-covered employees, you will need to file amended quarterly reports using uieservices.mt.gov before we can review your account for possible refund. Your amendments should remove any wages reported for real estate agents. Our office will review the amended reports for any wages potentially used in a UI claim. Once the amended reports are processed, we can issue a refund or leave the credit on your account to use on future filings– whichever you prefer.

It's important to note [MCA 39-51-1110](#) only allows us to adjust quarterly reports and wages filed within the last five years. Reports prior to that cannot be adjusted/refunded.

Have questions? Call our Registration Compliance Specialists at (406) 444-3834, option 1.

SafetyFestMT

SafetyFestMT went virtual in March 2023! Visit the [SafetyFestMT: Virtual Event](#) page or <https://safetyfestmt.dli.mt.gov/> for more information or to obtain recordings of past events.

Change is in the air!

As we've reported the last two quarters, the Unemployment Insurance Division (UID) continues its modernization project. The new integrated system is on track to deploy October 2023!

In conjunction with our system modernization, we will be moving away from the use of fax machines as a way of exchanging information with our division. We have secure electronic replacements already available!

[UI eServices for Employers \(uieservices.mt.gov\)](https://uieservices.mt.gov) is the best place for filing, amending, and paying quarterly UI reports. You can also send and receive secure messages, including attachments, to and from the division through eServices. SIDES E-Response is available through eServices to respond to benefit claim requests for information.

The [State of Montana File Transfer Service \(transfer.mt.gov\)](https://transfer.mt.gov) is a secure email service available for transmitting larger files such as authorizations for sub-contractor compliance letters or requested audit documentation.

Both options above are available for use today and provide a secure easy alternative to traditional fax machines. If you haven't already, we encourage you to check them out!

Keep watching for more information regarding upcoming changes and enhancements.

Report Fraud

If you suspect a person or business is committing UI fraud, go to uieservices.mt.gov and select [Report UI Fraud](#) under the Helpful Links.

Or contact our fraud investigators (406) 444-0072 or email dliuidci@mt.gov.

You can remain anonymous!

Questions about Benefit Charges on your account?

Call the Employer Charging Phone Line at 406-444-0399. We are here to help! Hours 8 am – 4 pm (closed for lunch 12 – 1).