

**UI Quarterly News**  
1st Quarter 2009  
**Colorado Department of Labor and Employment**  
**Unemployment Insurance Operations**  
[www.coworkforce.com](http://www.coworkforce.com)

Bill Ritter, Jr.  
Governor



Donald J. Mares  
Executive Director

#### **RAPID RESPONSE SERVICES**

The state Rapid Response Team serves companies facing corporate restructuring and downsizing. The Rapid Response Team is a cooperative effort between the local Workforce Centers, the Colorado Department of Labor and Employment (CDLE), and the Unemployment Insurance (UI) Program. The services available are free and designed to benefit employers and employees through the provision of information about the Dislocated Worker Program and other useful information and assistance with employment-related needs. If you need information about the Worker Adjustment and Retraining Notification (WARN) Act, or other programs and services available to you through CDLE, you can access the [Layoff Transition Services](#) Web site.

#### **ECONOMIC STIMULUS BILL**

The economic stimulus bill signed into law by President Obama is effective as of 02/22/2009. All claimants eligible for and currently receiving UI benefits will receive an additional \$25 a week, a tax break on the first \$2400 of UI benefit payments received in 2009, and an extension on deadlines to file and collect Emergency Unemployment Compensation (EUC) benefits. The payment of EUC benefits and the additional \$25 a week does **not** affect employer charging.

#### **TAX RATE NOTICES AND PAYMENTS FOR CALENDAR YEAR 2009**

Form UITR-7, Notice of Employer's Tax Rate, was mailed to all employers in December 2008. This notice contains your new tax rate for calendar year 2009. Use the 2009 tax rate for the tax report that is due by 04/30/2009. If you use a payroll company, please forward the Notice of Employer's Tax Rate to the payroll company.

Quarterly tax-and-wage reports must be submitted by the due date regardless of the amount owed. Please do not pay quarterly UI taxes that are less than \$5. Remember to make all checks payable to the Colorado State Treasurer.

#### **EMPLOYER HANDBOOK NO LONGER MAILED TO NEW ACCOUNTS**

In accordance with greening efforts and availability of enhanced online publications, Publication UI-266, *Unemployment Insurance Handbook for Employers* ([Employer Handbook](#)), is no longer automatically mailed to all employers establishing new accounts. You are encouraged to use the online publication, but you can order a hard copy by sending an e-mail with your name and address to [UI Operations](#).

Form UITL-3, Notice of Employer Liability and Unemployment Insurance Account Number, and 502 Poster, Notice to Workers, are still mailed to all employers establishing new accounts.

#### **COLORADO EMPLOYMENT SECURITY ACT FOR 2008**

The Colorado Employment Security Act (CESA) now contains changes enacted during the 2008 legislative session and is available [online](#). See the "Recap of 2008 Legislative Changes" section in this revised CESA for more information.

## **NEW LAW GOVERNING EMPLOYEE LEASING COMPANIES**

If you are an employee-leasing company (ELC), also known as a professional employer organization, or a work-site employer that receives services from an ELC, there have been changes to CESA ([CESA 8-70-114](#)) that affect you.

An ELC is required to be certified in order to conduct business as an ELC in Colorado. The UI Program mailed an Application for Certification packet to all known ELCs in September. The packet contains Form UITL-71, Application for Certification as an Employee-Leasing Company (Application for Certification). An ELC must submit a completed Application for Certification by March 23, 2009, before the UI Program considers certification of the agency. In addition, ELCs are required to submit proof of sufficient funds to pay UI taxes for the work-site employers.

[CESA 8-70-114](#) requires ELCs to pay wages as well as collect, report, and pay all payroll-related taxes from their accounts for all covered employees, including UI taxes. The ELCs' responsibility for reporting and paying UI taxes under their own account numbers must begin with all wages paid on or after January 1, 2010. ELCs can no longer use the account number for the work-site employer or client after that date.

Additional information, including the Application for Certification, is available on the CDLE Web site on the [Employee Leasing Companies](#) Web page.

## **COLORADO LEGISLATION CONCERNING ELECTRONIC VERIFICATION PROGRAM**

[Senate Bill \(SB\) 08-139](#) became law on August 5, 2008, and requires CDLE to inform employers of the federal law (8 U.S. Code Section 1324a) against hiring or continuing to employ an unauthorized alien. The work status of new employees can be verified using the Electronic Verification Program ([E-Verify](#)), administered by the U.S. Department of Homeland Security in partnership with the Social Security Administration. Conducting an [E-Verify](#) query involves matching a social security number and other information reported on Form I-9, Employment Eligibility Verification, to government records.

You can only use [E-Verify](#) after an individual accepts an offer of employment and after you and the new hire complete Form I-9, Employment Eligibility Verification. You must initiate a search on [E-Verify](#) within three business days of the new hire's actual start date. [E-Verify](#) cannot be used to verify the work-eligibility status of existing employees. If you elect to use [E-Verify](#), you must use the program to verify the work status of all new hires, regardless of national origin or citizenship. You may not use [E-Verify](#) selectively.

As with all current employee-verification programs, [E-Verify](#) is not completely accurate. In those instances when [E-Verify](#) does not provide a final confirmation of work eligibility, an employee has recourse available if he or she is legally documented to work in the U.S. Visit the [U.S. Citizenship and Immigration Services](#) Web site, click on [E-Verify](#), and then on [For Employees](#) for more information.

It is unlawful for employers to engage in unfair or discriminatory practices in the use of [E-Verify](#) (Colorado Revised Statutes 24-34-402).

Additional information is also available on the CDLE Web site on the [Electronic Verification Program](#) Web page.

## **LAW GOVERNING CONTRACTS FOR SERVICES WITH PUBLIC ENTITIES**

Effective May 13, 2008, contractors who enter into or renew a public contract for services with Colorado state agencies or political subdivisions must participate in either the federal [E-Verify](#) program or the newly created CDLE [Department Program](#). The option to enroll in the new [Department Program](#) instead of [E-Verify](#) was created by [SB 08-193](#), which amended the [Public Contracts for Services and Illegal Aliens Law, CRS 8-17.5-101 and 102](#).

For more information, visit the [Colorado Immigration Law](#) Web page on the [CDLE](#) Web site.

## LIABLE EMPLOYERS IN COLORADO

The UI Program cannot assign a Colorado employer account number until the employer becomes liable. Employers found not liable to pay UI taxes will have their Form CR 0100, Colorado Business Registration, returned. For guidelines on how an employer becomes liable, refer to "[Who Must Pay Unemployment Insurance Taxes?](#)" in the [Employer Handbook](#).

## REPORTING REQUIREMENTS FOR COLORADO LIABLE EMPLOYERS

As a Colorado liable employer, you must file both a quarterly tax report and quarterly wage report for your assigned UI account using the following methods:

- Tax reports can be filed via the Internet in lieu of paper filing.
- Wage reports can be filed via the Internet, file transfer protocol (FTP), paper, or diskette.
- The preferred method of filing wage reports for employers with 100 or more employees is via FTP. For FTP information, visit the [Unemployment Insurance Tax](#) Web page and click on [File Your Wage Report—FTP](#).
- The preferred method of filing wage reports for employers with less than 100 employees is on the Internet. To file on the Internet, go to the [Unemployment Insurance Tax](#) Web page and click on [File Your UI Tax/Wage Report—Internet](#).

NOTE: You must file a tax report if you have an active account even if you have not paid employee wages in the quarter. In this case, you will file a zero tax report and skip the wage report.

## FORM UITR-1, UNEMPLOYMENT INSURANCE TAX REPORT, DEBIT/CREDIT CHANGE

Form UITR-1, Unemployment Insurance Tax Report (Tax Report), populates debit or credit amounts reflected in the UI tax system at the time the Tax Report is printed. A debit or credit amount is listed under Item **15** on your Tax Report. You must check your records to verify that the debit or credit is valid at the time you receive the Tax Report. Read the instructions for Item **15** ("Debit or Credit Amount") on the back of the Tax Report.

Employers are encouraged to apply the debit or credit when completing the Tax Report or to encourage their employer representatives to do the same. Applying the debit or credit amount will allow you to contribute a more accurate quarterly tax payment that reflects your account balance and helps eliminate the time and expense to process debits and credits.

NOTE: If Item **15** does not appear on your Tax Report, you may not have a debit or credit.

## CORRECT MAILING ADDRESS AND BUSINESS STATUS CHANGES

[Regulations Concerning Employment Security 7.2.7](#) require you to report address or ownership changes within ten days. Prompt notification of address changes helps to ensure you receive important forms and information regarding UI taxes in a timely manner. Prompt notification also ensures that the UI Program can contact you when former employees file a UI claim.

To update your address online for location, mailing, benefit mailing, owner, or bank information, go to the [Unemployment Insurance Employer-Change-of-Business-Address](#) Web site. You may also download Form UITL-2, [Employer Change Request](#). Then follow the instructions to complete, sign, and return the form.

If you have sold your business or changed the status of your business, you **must** download the [Employer Change Request](#). Follow the instructions to complete, sign, and return the form. If you do not have access to the Internet, call the Customer Contact Center at 303-318-9100 (Denver-metro area) or 1-800-480-8299 (outside Denver-metro area).

## QUESTIONS OR CONCERNS?

For UI tax questions and issues related to your account, e-mail [UI Operations Tax](#). You may also call 303-318-9100 (Denver-metro area) or 1-800-480-8299 (outside Denver-metro area).