Are You Doing EVERYTHING to Protect Your Business From Higher Taxes?

Help Prevent Improper Payment of Unemployment Insurance (UI) Benefits

Did you know ...
- As a business, you help to fund UI Benefits through taxes.
- The U.S. Department of Labor estimates that last year more than 12% of UI benefits were paid improperly, totalling nearly $13.7 billion.
- One of the most common reasons for improper payments due to inaccurate or missing information.
- Improper payment of benefits is a serious problem that can result in higher UI taxes to all employers.

What exactly are “improper” payments?
Improper payment of UI benefits means that a claim for benefits was paid in error. An improper payment of benefits can result when the claimant or employer provides inaccurate information to the state UI office, or when information like the current employment status of a claimant is not received by the state UI office in a timely manner.

What can you do to help prevent improper UI payments?
Be an active partner! Help reduce employer costs by taking three critical steps:

1. **Report all hiring to the State Directory of New Hires by the due date.**
   - Timely reporting helps prevent payment of ineligible UI claims after an individual has returned to work.

2. **Respond promptly to any “Request for Verification of Weekly Earnings”**
   - A prompt response will help prevent improper payment of UI benefits.

3. **Provide complete and accurate Employee Separation Information.**
   - Costly appeals and overpayments are easily avoided by providing separation information to help determine claimants eligibility for benefits.

The Costs and Consequences of Non-Compliance

Companies that fail to comply with state and federal UI requirements face a number of preventable costs and consequences, including:
- ✓ Lost revenue paid to ineligible claimants
- ✓ Increases in employer UI taxes
- ✓ Possible fines and penalties

In addition to following the UI requirements for reporting employee information, employer partnership with the UI program is just a good business practice.

For more information, please visit [http://ows.doleta.gov/unemploy](http://ows.doleta.gov/unemploy)