Employer Tax News

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2018 First Quarter Filing

The First Quarter of 2018 ended on March 31st, 2018. Wage Reports and Contributions for **quarterly filers** were due to the Office of Unemployment Compensation on April 30th, 2018. Thanks to the employers that have satisfied their filing and payment obligations thus far. For employers that have not yet filed and paid their contributions please rectify this matter immediately as your account is now delinquent and will be subject to interest and penalty charges.

Wage Reports and contributions for **annual filers** for the year 2017 were due on April 15th, 2018. Any reports that have not yet been received by the Office of Unemployment Compensation are delinquent and are subject to interest and penalties. Please rectify this matter today.

DOES is Making ESSP Better for You

On Friday March 23rd, 2018 the Tax Division deployed a systems enhancement for the 1st quarter that will further strengthen the online portal experience for the employer community and authorized Third Party agents. These builds are designed to enhance the employer experience in fulfilling the obligations of filing wage reports and tax payments.
Enhancements includes:

- FEIN Validations
- Manual Wage Amendments will now reflect all changes made on wage reports
- Detailed reasons for POA denial will be communicated
- Employer viewable tax rate history
- Confirmation and notification emails for an

- expanded amount of transactions
- Agents will now be able to generate a list of approved clients in ESSP
- Workflow enhancements on employer registration screens
- Improved email history tracking for employers and agents
- POA expiration notification for employers and agents

ESSP Performance to Date

With the help of you; the District's Employer Self-Service Portal (ESSP) has been able to achieve the below performance gains:

1. Achieved a reduction of **85%** in the first fourteen quarters of ESSP processing in paper wage filings.
2. In quarter 4/2017, an additional 380 employers filed wages using paper. This is primarily due to annual wage filers filing paper-based wage reports in quarter 4/2017. Currently, **94%** of employers file wages online via the ESSP portal each quarter.
3. In quarter 4/2017, DOES did not process any paper-based employer registrations. All employer registrations were processed online through the ESSP portal in 2016 and 2017.
4. Paper checks have been reduced by **30%** since the implementation of ESSP. In the most recent quarter, **68%** of total payments were processed using ACH debit or the Agent "Super Check" process.
5. In quarter 4/2017, 100% of employer account updates were performed in the ESSP self-service portal. Since implementation, employers have performed 168,891 account updates which has improved the data integrity/accuracy of information that we store for the employers paying taxes in DC reducing mailing costs to incorrect employer addresses.

These results continue to align with the best performing UI Tax systems in the country.

Where are we located:

Department of Employment Services

OUC Tax Division

4058 Minnesota Ave NE Suite 4000

Washington, DC 20019

Contact Us

https://does.dc.gov

Email: uitax.info.@dc.gov

Phone: 202-698-7550

Language Access for All

In 2004 the District of Columbia passed the Language Access Act which affords to residents to equal access to services by aiding them with overcoming language barriers; spoken or written. But this assistance isn't just limited to residents, or business citizens can access these services here at DOEs and at DC agencies across the city. For more information please access the below website.

https://ohr.dc.gov/service/know-your-rights-language-access

SIDES E-Response

Don't wait another minute to save your business time and money! The State Information Data Exchange System Electronic Response (SIDES E-Response) provides DC employers a secure, nationally standardized, electronic method to receive and submit unemployment insurance "Request for Separation Information" forms. If you have not yet received your PIN in the mail, or you would like more information on how you or your Third-Party Administrator (TPA) can use SIDES, please email SIDES.HELP@dc.gov, call 202-698-5800, or visit https://app.does.dc.gov/.

Unemployment Rate

The District of Columbia Department of Employment Services reported this month that the seasonally adjusted preliminary unemployment rate was 5.6 percent in March 2018 – which is a slight reduction from the 5.7 percent reported for February 2018.

Worker Misclassification

Worker Misclassification is an offense that harms the employee, the economy and it is against the law. Workers that perform functions that are under the direction and control of an employer and the parameters in how the work can be completed are classified as employees.

When employees are misclassified as independent contractors not only are employers diverting

contributions away from employer taxes that support the solvency of mandated trust funds. But they also are robbing their own workforce from the social benefits that they are federally entitled to.

If you have any questions concerning how this law applies to you, please visit the Unemployment Compensation section of the DOES website at www.does.dc.gov for further information.

See the below link and to further learn what the Internal Revenue Service says about defining an Independent Contractor versus an Employee. https://www.irs.gov/businesses/small-businesses-self-employed/independent-contractor-self-employed-or-employee

Paid Family Leave Is Coming

The Office of Paid Family Leave is in full motion and ready to partner with the employer community in making this program the best in the nation. For inquiries regarding the Paid Family Leave program, please contact the Office of Paid Family Leave at does.opfl@dc.gov

Reminder:

On July 1, 2019, the District will begin the collection of taxes from employers and on July 1, 2020, the District will begin administering paid leave benefits.

Wage Audit Notices (WAN)

The Office of Unemployment Compensation (OUC) is charged with the enforcement of Title 51 of the District of Columbia Social Security Act (Unemployment Compensation). Under this act the OUC is accountable for ensuring that the payment of unemployment benefits are accurate and monies paid are appropriately paid to claimants. To ensure this, the Benefits Payment Control Branch (BPC) periodically issues Wage Audit Notices (WAN) to employers requesting information pertaining to the wages that a claimant has provided or has been reported on the employer submitted Wage and Contribution Reports that have been filed via ESSP. It is important that these WANs are returned within the specified 10-day timeframe as requested. Your completed responses can be remitted by fax to (202) 654-6484, via by email to bpc.um@dc.gov or mail

to Department of Employment Services (Attn: Benefit Payment Control Unit) 4058 Minnesota Avenue Suite 4305 Washington, DC 20019.

How does this benefit you?
- Accurate reflection of the wages reported in your employer account for appropriate accounting of tax contributions
- Accuracy in benefit charges on your employer account, allowing for proper benefit charges and correct employer experience rating
- Accurate reflection of the employer contribution rate once employer contribution rates are calculated at the end of the calendar year

If an error arises in the future after an employer does not respond to a WAN; depending upon the time lapse concerning the benefit charges, statute of limitations may not allow for the adjustment of the employer account and cause you as an employer to be liable for the payment of contributions that could have been avoided.