



Unemployment Insurance Tax Handbook for Employers



Employment Security Department
WASHINGTON STATE

April 2026

This handbook is informational only. If there is a conflict between this handbook and current Washington state law, the law prevails.

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Support information in many languages

Please take the time to read this handbook. It provides important Unemployment Insurance program information for employers. For free help in other languages, call 855-829-9243. If you have a hearing or speech disability, dial 711 to reach the Washington Relay.

እባክዎን ይህንን የእጅ መጽሐፍ ለማንበብ ጊዜውን ይውሰዱ። ስለ ሥራ አጥነት መድን ፕሮግራም ለአሰሪዎች ጠቃሚ መረጃ ይሰጣል። በሌሎች ቋንቋ ነጻ እገዛ ለማግኘት ከፈለጉ፣ ወደ 855-829-9243 ይደውሉ። የመስማት እና የመናገር እክል ካለብዎት፣ Washington ሪሌይን ለማነጋገር ወደ 711 ይደውሉ።

يرجى أخذ الوقت لقراءة هذا الكتيب. فهو يوفر معلومات مهمة لأصحاب العمل حول برنامج التأمين ضد البطالة. للحصول على مساعدة مجانية بلغات أخرى، اتصل بالرقم 855-829-9243. إذا كنت تعاني من إعاقة في السمع أو النطق، فاتصل بالرقم 711 للوصول إلى خدمة Washington للتحويل الهاتفي.

ဤလက်စွဲစာအုပ်ကို အချိန်ပေး၍ ဖတ်ရှုပေးပါ။ သင်က အကျိုးခံစားခွင့်များအတွက် လျှောက်ထားပြီး ၎င်းတို့ကို ရရှိနေသူဖြစ်လျှင် သင့်အခွင့်အရေးများနှင့် တာဝန်ဝတ္တရားများကို ၎င်းတွင် ရှင်းလင်းဖော်ပြထားပါသည်။ စပိန်ဘာသာဖြင့် အခမဲ့အကူအညီရယူရန် 800-318-6022 ကို ဖုန်းဆက်ပါ။ အခြားဘာသာစကားများဖြင့် အခမဲ့အကူအညီရယူရန် 800-410-0758 ကို ဖုန်းဆက်ပါ။ ကြားနိုင်စွမ်း သို့မဟုတ် စကားပြောဆိုနိုင်စွမ်းတွင် အခက်အခဲရှိပါက 711 ကိုနှိပ်၍ Washington ဆွံ့အနားမကြားသူ ဖုန်းလိုင်းသို့ ဆက်သွယ်ပါ။

花時間閱讀本手冊。本手冊為僱主提供了重要的失業保險計劃信息。如需其他語言的免費幫助，請致電 855-829-9243。如果您有听力或語言障礙，請撥打 711 聯繫 Washington Relay。

請花時間閱讀本手冊。本手冊為僱主提供了重要的失業保險計劃資訊。如需其他語言的免費說明，請致電 855-829-9243。如果您有聽力或語言障礙，請撥打 711 聯繫 Washington Relay。

Kose mochen awora eom fansoun eom kopwe aneani ewe puukena annuk. Ena a kan aworaauchean porausen programen Insurens ren Ese Wor Angang ren nenien angang kena. Ren aninis kena ese wor momon non pwan ekkoch fosun fonu kena, kori 855-829-9243. Ika pwe a wor ew eom teririn rongorong ika kapas, dialeni 711 ren eom kopwe tori ewe Washington Relay.

لطفاً برای مطالعه این کتابچه راهنما وقت بگذارید. این کتابچه اطلاعات مهم برنامه بیمه بیکاری را برای کارفرمایان فراهم می‌کند. برای دریافت کمک به سایر زبان‌ها، با شماره 855-829-9243 تماس بگیرید. اگر معلولیت شنوایی یا گفتاری دارید، برای تماس با رله 711 Washington را شماره گیری کنید.

Veillez lire attentivement le présent manuel. Vous y trouverez des informations importantes relatives au programme d'assurance chômage à l'intention des employeurs. Si vous souhaitez obtenir une assistance gratuite dans une autre langue, veuillez appeler le 855-829-9243. Si vous êtes malentendant ou avez des difficultés d'élocution, veuillez composer le 711 pour joindre le service de relais de Washington.

Bitte nehmen Sie sich die Zeit, dieses Handbuch zu lesen. Es enthält wichtige Informationen zum Arbeitslosenversicherungsprogramm für Arbeitgeber. Kostenfreie Hilfe in anderen Sprachen erhalten Sie unter 855-829-9243. Wenn Sie eine Hör- oder Sprachbehinderung haben, wählen Sie 711, um die Zentrale in Washington zu erreichen.

Prenditi il tempo necessario per leggere questo manuale. Fornisce informazioni importanti per i lavoratori riguardo al Programma di Assicurazione per la disoccupazione. Per ricevere aiuto in altre lingue, chiama il numero 855-829-9243. Se possiedi una disabilità uditiva o vocale, Digita 711 per contattare il servizio di assistenza telefonica di Washington.

このハンドブックをしっかりと読みください。雇用主にとって大切な失業保険プログラムについての情報が記載されています。その他の言語による無料のヘルプは、855-829-9243 までお電話ください。聴くことや話すことが困難な方は、711 をダイヤルして Washington リレーにご連絡ください。

សូមចំណាយពេលវេលាអានសៀវភៅណែនាំនេះ។ សៀវភៅនេះពន្យល់អំពីសិទ្ធិ និងទំនួលខុសត្រូវរបស់អ្នកប្រសិនបើអ្នកដាក់ពាក្យសុំ និងទទួលបានអត្ថប្រយោជន៍។ សម្រាប់ជំនួយដោយឥតគិតថ្លៃជាភាសាអេស្ប៉ាញ សូមហៅទូរសព្ទទៅលេខ 800-318-6022។ សម្រាប់ជំនួយឥតគិតថ្លៃជាភាសាផ្សេងទៀត សូមហៅទូរសព្ទទៅលេខ 800-410-0758។ ប្រសិនបើអ្នកមានពិការភាពនៃការស្តាប់ ឬនិយាយ សូមហៅទូរសព្ទទៅលេខ 711 ដើម្បីទាក់ទងសេវាបញ្ជូនបន្តរបស់រដ្ឋ Washington។

이 핸드북을 읽어보시기 바랍니다. 고용주에게 중요한 실업 보험 프로그램 정보를 제공합니다. 다른 언어로 무료 도움을 원하시면 855-829-9243 으로 전화해 주세요. 청각 또는 언어 장애가 있는 경우 711 번으로 전화하여 Washington 릴레이에 연결하세요.

ກະລຸນາເສຍສະຫຼະເວລາອ່ານປຶ້ມຄູ່ມືເຫຼົ່ານີ້.
ເຊິ່ງໃຫ້ຂໍ້ມູນສໍາຄັນກ່ຽວກັບໂຄງການປະກັນການຫວ່າງງານສໍາລັບນາຍຈ້າງ.
ສໍາລັບການຄວາມຊ່ວຍເຫຼືອພຣີເວີ ແບັບພາສາອື່ນໆ, ໂທ 855-829-9243.
ຖ້າວ່າທ່ານມີຄວາມພິການທາງດ້ານການໄດ້ຍິນ ຫຼື ການປາກເວົ້າ, ກົດໂທ 711 ເພື່ອຕິດຕໍ່ Washington Relay (ວໍຊິງຕັນ ຣີເລ)

Maaloo yeroo fudhadhaatii kitaaba qajeelchaa kana dubbisaa. Odeeffannoo sagantaa Inshuraansii Hojiidhabdummaa barbaachisaa ta'e hojjechiistotaaf ni kenna. Gargaarsa bilisaa afaanota birootiin argachuuf, 855-829-9243 irratti bilbilaa. Rakkoo dhageettii ykn dubbachuu yoo qabaattan, 711 irratti bilbiluun tajaajila ergaa daddabarsuu qaama miidhamtootaa Washington argadhaa.

ਕਿਰਪਾ ਕਰਕੇ ਇਸ ਕਿਤਾਬਚੇ ਨੂੰ ਪੜ੍ਹਨ ਲਈ ਸਮਾਂ ਕੱਢੋ। ਜੇ ਤੁਹਾਨੂੰ ਲਾਭਾਂ ਲਈ ਅਰਜ਼ੀ ਦਿੰਦੇ ਹੋ ਅਤੇ ਉਹਨਾਂ ਨੂੰ ਪ੍ਰਾਪਤ ਕਰ ਲੈਂਦੇ ਹੋ ਤਾਂ ਇਹ ਤੁਹਾਡੇ ਅਧਿਕਾਰਾਂ ਅਤੇ ਜ਼ਿੰਮੇਵਾਰੀਆਂ ਬਾਰੇ ਦੱਸਦਾ ਹੈ। ਸਪੈਨਿਸ਼ ਵਿੱਚ ਮੁਫਤ ਸਹਾਇਤਾ ਲਈ, 800-318-6022 'ਤੇ ਕਾਲ ਕਰੋ। ਦੂਜੀਆਂ ਭਾਸ਼ਾਵਾਂ ਵਿੱਚ ਮੁਫਤ ਸਹਾਇਤਾ ਲਈ, 800-410-0758 'ਤੇ ਕਾਲ ਕਰੋ। ਜੇ ਤੁਸੀਂ ਸੁਣਨ ਜਾਂ ਬੋਲਣ ਤੋਂ ਅਪਾਹਜ ਹੋ, ਤਾਂ Washington ਰੀਲੇਅ ਨਾਲ ਸੰਪਰਕ ਕਰਨ ਲਈ 711 ਨੂੰ ਡਾਇਲ ਕਰੋ।

Пожалуйста, найдите время, чтобы прочитать это руководство. В нем содержится важная информация о программе страхования по безработице для работодателей. Для получения бесплатной помощи на других языках звоните по телефону 855-829-9243. Если у вас проблемы со слухом или речью, наберите 711, чтобы связаться с ретрансляционной службой штата Washington.

Fa'amolemole faaalu se taimi e faitau ai lenei tusi taulima. Ua tuuina mai ai fa'amatalaga taua i le polokalame Inisiua mo i Latou e Le Faigaluega mo fale faigaluega. Mo se fesoasoani maua fua i isi gagana, valaau le 855-829-9243. Afai e le atoatoa lau fa'alogo po o le tautala, vili le 711 mo le Taavale Washington.

Fadlan wakhti u samee akhrinta buugan. Waxay bixisaa xogta muhiimka ah ee barnaamij Shaqaalaha Bilaa Shaqada ah oo loogu talo geley cida loo shaqeeyo. Wixii kaalmada ah bilaash ah ee luuqadaha kale ah, la hadal 855-829-9243. Hadii aad qabto laxaad la'aan maqalka ama hadalka ah, garaac 711 si aad ula xidhiidho Gudbinta Washington.

Por favor, tómese el tiempo para leer este manual. Este le ofrece información importante sobre el programa de Seguro de Desempleo para empleadores. Para recibir ayuda gratuita en otros idiomas, llame al 855-829-9243. Si tiene una discapacidad auditiva o del habla, marque el 711 para comunicarse con el Servicio de Retransmisión de Washington.

በጃኹም ጊዜ ወሲድኩም ነዚ መምርሒ መጽሐፍ አንብብዎ። ንአስራሒታት አገዳሲ ሓበሬታ ናይ ስራሕ አልበነት መድሕን ፕሮግራም ይህብ። ብኸልእ ቋንቋታት ብናጻ ሓገዝ እንተ ደሊኹም፣ ናብ 855-829-9243 ደውሉ። ናይ ምስማዕ ወይ ናይ ምዝራብ ጸገም ምስ ዝህልዎኩም፣ ናብ Washington ሪሌይ ንምብጻሕ ናብ 711 ደውሉ።

Mangyaring maglaan ng oras upang basahin ang handbook na ito. Nagbibigay ito ng mahahalagang impormasyon tungkol sa programa ng Insurance sa Kawalan ng Trabaho para sa mga employer. Para sa lib्रेng tulong sa ibang wika, tumawag sa 855-829-9243. Kung mayroon kang kapansanan sa pandinig o pagsasalita, i-dial ang 711 upang makontak ang Washington Relay.

Будь ласка, знайдіть час, щоб прочитати цей посібник. Він містить важливу інформацію про програму страхування на випадок безробіття для роботодавців. Для отримання безкоштовної допомоги іншими мовами телефонуйте за номером 855-829-9243. Якщо у вас є проблеми зі слухом або мовленням, наберіть 711, щоб подзвонити до ретрансляційної служби штату Washington.

Vui lòng dành thời gian đọc sổ tay này. Sổ tay cung cấp thông tin quan trọng về chương trình Bảo Hiểm Thất Nghiệp cho người sử dụng lao động. Để được trợ giúp miễn phí bằng các ngôn ngữ khác, hãy gọi 855-829-9243. Nếu quý vị bị khiếm thính hoặc khiếm ngôn, hãy gọi 711 để liên hệ với Dịch Vụ Chuyển Tiếp Viễn Thông Washington.

Important

The Employment Security Department is an equal opportunity employer/program. Auxiliary aids and services are available upon request to individuals with disabilities. We provide free help in many languages. People who need hearing or speech help can dial 711 for the Washington Relay.

About this handbook for employers

This handbook provides important Unemployment Insurance Program information to help you administer unemployment benefits for your employees and control your costs.

The glossary in Appendix B includes definitions for all terms  with a book icon.

Contact information

To learn more about employer rights and responsibilities when working with us, you can:



Go to our website

Visit esd.wa.gov/employer-requirements.



Email us

General tax questions: OlympiaAMC@esd.wa.gov.

Request paper tax forms: taxforms@esd.wa.gov.

Standard Occupational Classification (SOC) codes: socreporting@esd.wa.gov.



Call us

General tax questions: [855-829-9243](tel:855-829-9243).

If you have a hearing or speech disability, you can use Washington Relay 711.

You can also use this number to request:

- Paper tax forms.
- Information about tax rates and benefit charges.
- Information about your tax account, voluntary coverage, power of attorney, professional employer organizations or other business updates.
- Standard Occupational Classification (SOC) codes.

Language help

Free services are available if you need help in a language other than English and Spanish. Please call [855-829-9243](tel:855-829-9243).

Accessibility and accommodations

If you have a disability or special circumstances that and need help to understand this information or to comply with employer requirements, you can request help at:

- Email OlympiaAMC@esd.wa.gov.
- Call [855-829-9243](tel:855-829-9243) (Washington Relay 711).

The Employment Security Department is an equal opportunity employer/program. Auxiliary aids and services are available upon request to individuals with disabilities. We provide free help in many languages. If you have a hearing or speech disability, dial 711 for the Washington Relay.

Overview of Unemployment Insurance

About the program

This program is designed to provide temporary income to workers who lost their jobs through no fault of their own – such as a layoff, plant closure or lack of available work. Benefits are not available to all workers. For example, workers who were fired for [misconduct](#)  cannot receive unemployment benefits.

Funding for the program

Our state program is funded through taxes paid by employers. This handbook is designed to help you understand and comply with unemployment tax and administrative requirements.

How we use employer tax dollars

The state unemployment taxes you pay are used to provide benefits to eligible unemployed workers. Unemployment benefits are often spent in the worker's community and help sustain the economic well-being of local businesses.

Learn more at esd.wa.gov/unemployment-trust-fund.

We are here to help you

The Employment Security Department provides information and resources to help your business thrive, including:

- Economic statistics. Contact esd.wa.gov/labor-market-contact to help guide your business decisions.
- Recruitment assistance. Visit WorkSourceWA.com if you want help finding workers with the skills necessary to help your business prosper.

- Payment options. If you incur a financial emergency that leaves your business unable to pay taxes due in full, email our collections unit at esctax@esd.wa.gov to set up a temporary payment plan.

For fastest service, go online

You can visit our safe and secure website esd.wa.gov/employer-requirements, 24 hours a day, 7 days a week.

Set up and manage your account

If you have employees or plan to hire employees in Washington state, you must register with Employment Security to file quarterly wage reports and pay unemployment taxes.

Apply for a business license

Sole proprietorships and general partnerships can apply on the Department of Revenue website at dor.wa.gov/apply.

Corporations, limited partnerships, LLCs and LLPs must first create a business structure with the Office of the Secretary of State (SOS). You can find details at sos.wa.gov/corporations. After you have created your business structure, you can apply for your business license using the Unified Business Identifier (UBI) number issued by SOS when filling out the Department of Revenue (DOR) business license. This will help to avoid being issued multiple UBI numbers.

Note: If you already have a business license but are hiring employees for the first time, you will need to update your license to add the employment endorsement. You can find details on the DOR website at dor.wa.gov/manage-business/grow-business.

More employer resources

Find more information regarding starting and operating a business in Washington state at the Governor's Office for Regulatory Innovation and Assistance.

Visit the Business.wa.gov website at business.wa.gov/site/alias_business/927/Small-Business-Guide.aspx [small business guide](#) for more information.

Register with Employment Security

When you apply for a business license and indicate you have hired or plan to hire employees within 90 days to work in Washington state, the Business Licensing Service with Department of Revenue will send us a copy of your application.

Once we get a copy of the business license application, we review the information provided to determine if you need to pay unemployment taxes. If we determine you need to pay taxes, we will send you a confirmation letter.

This letter includes a link to our website, which will explain how to file wage reports and pay taxes. We will include a copy of your initial tax rate notice with the letter.

Avoid fines for not registering

If you operate without being registered, you will be fined for each quarter you are not registered. The fine is either \$1,000 or twice the total amount of unpaid taxes for that quarter, whichever is greater.

Using eServices and EAMS

Employers and firms that represent employers can manage many tasks using eServices and the Employer Account Management System (EAMS). Simply create a free SecureAccess Washington (SAW) account to get access to these free tools. If you already have a SAW account, do not create another one.

About eServices

An online portal where employers can complete tasks related to unemployment benefits.

About EAMS

Primarily, employers use EAMS to pay unemployment taxes and submit quarterly tax and wage reports. When you have access to locked services in EAMS, you can use more features in both eServices and EAMS.

If you or your third-party representative have not established an EAMS account, you can find more details on our website at esd.wa.gov/about-eservices-employers.

Determining your tax rate

We send every registered employer a tax rate notice in December. This notice informs you of your unemployment tax rate for the next calendar year.

Learn how we calculate your tax rates on our website at esd.wa.gov/tax-rates.

Experience-based system

We set your tax rate using an experience-based system. This means that the more unemployment benefits your former workers collect, the higher your tax rate will be. For example, seasonal employers that have an annual mass layoff often pay more than similarly sized employers that operate year-round.

We calculate taxes using two factors:

- The experience rate. This is calculated by dividing the cost of all [unemployment benefits](#) charged to your account over the last four [fiscal years](#) by your taxable payroll for that same period.
- Shared cost (social cost). This is calculated based on the total of benefits we paid all claimants last year.

Tax rates for qualified employers

To be a qualified employer, you must meet these criteria:

- You submitted all tax and wage reports and made all necessary tax payments for the previous eight calendar quarters.
- You did not have four or more consecutive quarters with zero payroll in the past two years.

Learn how the law defines “qualified employer” on the Washington Legislature website at app.leg.wa.gov/RCW/default.aspx?cite=50.29.010.

Tax rate calculator

You can estimate your tax rate using our online calculator at esd.wa.gov/tax-rates.

Delinquent tax rates

You may receive a delinquent tax rate if you are behind on your tax payments or quarterly tax and wage reports.

Send us all taxes and reports by Sept. 30 to avoid a delinquent tax rate. If you cannot pay all your taxes, email our collections unit at esctax@esd.wa.gov to set up a temporary payment plan called a deferred payment contract.

If we approve your payment plan before Sept. 30, you will not receive a delinquent rate for the following year.

New employer tax rates

If you are a new employer or have not been in business long enough, you cannot use the online tax rate calculator. We will assign you a tax rate based on your industry.

We stop considering you a new employer after you have been in business for 30 to 36 months.

Tax rates for other employers

If you are not a qualified employer or if you are delinquent on your taxes, rates are determined as follows:

Successorships

If you purchased an existing business, you inherit the tax rate that was attached to the business prior to purchase. A successor who acquires a business may share liability for all unpaid tax contributions of the predecessor.

Find details about contribution rates for predecessor and successor employers at app.leg.wa.gov/RCW/default.aspx?cite=50.29.062.

Nonprofits, government entities, Indigenous people and public schools

Organizations with a nonprofit 501(c)(3) status, government agencies, public schools and federally recognized Native American Tribes have the option to pay the full cost of all benefits collected by their former employees, instead of paying a set tax rate. These types of employer accounts are called [reimbursable employer](#)  accounts. You can find more details on reimbursable employers at esd.wa.gov/reimbursable.

State, federal and military employers must be reimbursable. Local government accounts and subdivisions can choose to be taxable or reimbursable. 501(c)(3) nonprofit agencies can also choose to be taxable or reimbursable. However, unlike normal corporations, all nonprofits, including 501(c)(3) organizations, must also report officer wages for those working in Washington state.

Potential risk

Choosing to be a reimbursable employer could cost more than the amount you would have paid if you were a taxable employer. If you elect this option, you will be billed on a quarterly basis for any benefits charged against your employer account.

If you need more tax rate information, email us at ESDExperienceRating@esd.wa.gov.

Washington State Legislature resources

- General tax rates (RCW 50.29.025). Available at apps.leg.wa.gov/RCW/default.aspx?cite=50.29.025.
- Delinquent tax rates (WAC 192-320-036). Available at apps.leg.wa.gov/WAC/default.aspx?cite=192-320-036.
- Tax rates for new employers (WAC 192-320-025). Available at apps.leg.wa.gov/WAC/default.aspx?cite=192-320-025.
- Tax rates for predecessor and successor employers (RCW 50.29.062). Available at apps.leg.wa.gov/RCW/default.aspx?cite=50.29.062.

Ways to reduce your tax rate

Here are some ways you may be able to reduce your tax rate.

Removing delinquencies

If you have a delinquent tax rate, you may reduce the rate by one-half of 1% if you either:

- Pay off the entire tax debt.
- Request a deferred payment contract within 30 days of receiving the annual delinquent tax rate notice. Contact our Collections Unit at esctax@esd.wa.gov or [866-697-4831](tel:866-697-4831) to find out more and set up a plan.

Making voluntary contributions

The Voluntary Contribution program allows you to make a one-time payment for either part or all unemployment benefits paid to former or current employees during the past two fiscal years. We subtract those benefit charges from your account, which reduces your tax rate for the current tax period.

You can find more details about the Voluntary Contribution program at esd.wa.gov/vcp. If you need help deciding if the Voluntary Contribution program is for you, call us at [360-890-3607](tel:360-890-3607).

Controlling your tax costs

Your actions can have a direct impact on the amount of taxes your business pays. Here are some ways you can help control your costs:

- File quarterly tax and wage reports and pay taxes on time.
- Report the reason for employee [separation](#)  quickly and accurately.
- Notify us of changes to your business using the business change form available at esd.wa.gov/tax-forms.
- Reply to requests for information by the deadline provided.
- Attend appeal hearings.
- Report new hires and rehires within 20 days. More details at esd.wa.gov/employer-requirements/reporting-new-and-rehired-employees.

Help prevent overpayments

We use the separation information you provide to help determine if the worker is eligible for unemployment benefits. Failure to provide the requested information may lead to an overpayment for your former employee.

Reporting requirements

Who needs to pay unemployment taxes

If you have employees working in Washington state, you likely pay unemployment taxes on their wages.

Reporting employees

There are different reporting requirements for certain types of employees.

Employees covered by unemployment insurance

You need to report all employees unless they are exempt from coverage. Owners and corporate officers are exempt by default except for officers of nonprofits, including 501(c)(3).

Corporate officers

For-profit corporations

Corporate officers are exempt by default. If you provide voluntary coverage to your corporate officers, report them the same way you would report employees after filing the required Voluntary Election Form and being approved.

If you do not provide voluntary coverage, use the Exempt Officer section when filing your quarterly tax and wage report. Report only the number of Washington corporate officers and their combined wages or earnings. Do not report their names, hours or individual wages.

If you do not elect to cover your corporate officers under RCW 50.24.160, you must notify them in writing that they are not eligible for unemployment benefits. If you don't provide notice, their status as a corporate officer is unchanged and they remain not eligible for unemployment benefits.

Nonprofit corporations

All corporate officers of nonprofit organizations who work and receive a wage in the state of Washington must report their wages.

Employee-owned cooperatives

Corporate officers are exempt unless they voluntarily elect coverage. This same rule applies to for-profit corporations.

Cooperative associations and limited cooperative associations must report their corporate officers who work and receive wages in the state of Washington.

Find details about RCW 50.24.160 on the Washington Legislature website at app.leg.wa.gov/RCW/default.aspx?cite=50.24.160 and on our website at esd.wa.gov/corporate-officers.

Domestic services

A domestic services worker is any employee you hire to work in a private home, college club, fraternity or sorority. You do not need to report domestic services workers until you pay total wages of \$1,000 or more per quarter.

If your total payroll reaches \$1,000 in any quarter, you need to report wages for the entire year. Read the IRS Household Employer Tax Guide at irs.gov/publications/p926.

Exempt employees

You do not need to report employees listed in occupations exempted from unemployment insurance coverage. Learn more at esd.wa.gov/media/pdf/1080/esd-exempt-professions-chartpdf (PDF, 117KB).

Independent contractors

You do not need to report independent contractors. However, independent contractors must pass the employment exception test. Otherwise, you may incur back taxes, penalties and fees for misclassifying workers.

You can find details at esd.wa.gov/independent-contractors.

Report every quarter

All employers must file a tax and wage report every quarter, including employers who have no payroll for a given quarter. If you do not have employees and your account is active with no payroll for the quarter, you will need to file a no payroll report.

Go to the Washington State Legislature website to read the laws and rules that apply:

- Wages, remuneration – Retirement and disability payments excepted RCW 50.04.330, available at app.leg.wa.gov/RCW/default.aspx?cite=50.04.330.
- How employers should report hours worked WAC 192-310-040(2), available at app.leg.wa.gov/wac/default.aspx?cite=192-310-040.

Report hires and rehires

Washington state law requires employers to report all new employees within 20 days of hiring. You also need to report rehired employees if they have not worked for you in the past 60 days.

You can find details on how to report new and rehired employees at esd.wa.gov/employer-requirements/reporting-new-and-rehired-employees.

File quarterly tax and wage reports on time

Proper payment enhances the solvency of the [unemployment trust fund](#). Prompt, accurate wage reporting helps us to determine worker eligibility.

Failure to report wage information and pay unemployment taxes on time may result in penalties and interest. This may also increase your federal unemployment tax liability.

You can find more details at esd.wa.gov/late-tax-payment-penalties.

Qualifying for the FUTA tax credit

The [Federal Unemployment Tax Act \(FUTA\)](#) allows the IRS to collect taxes from employers to fund state agencies like us.

You can find details about FUTA on our website at esd.wa.gov/employer-requirements/unemployment-taxes/federal-unemployment-tax-act-futa-certification-or-recertification.

Notify us of any changes to your business

Find information and forms for reporting changes at esd.wa.gov/bizupdate.

Reporting wages and hours

When filing your quarterly report, you need the following information for each employee:

- Full name.
- Social Security number.
- Gross amount paid.
- Number of hours worked in the quarter.
- Standard Occupational Classification (SOC) or job title.

Report hours worked

Hours worked are used to calculate a worker's eligibility for unemployment benefits. You need to correctly report hours each quarter for all employees, even for salaried employees or employees whose compensation is based on production.

Quarterly reporting information

Follow these guidelines to accurately report the required information about your employees.

Standard Occupational Classification codes

The Washington State Legislature passed a law requiring employers to report SOC codes or job titles in their quarterly unemployment tax and wage reports. Provide an SOC code or job title for each employee in your report to avoid a penalty.

You can find full details on our website at esd.wa.gov/about-soc.



When to report wages and hours

All wages and hours worked must be reported for the quarter you paid the employee(s). See the tax due date calendar in the "Paying taxes" section of this handbook for specific deadlines.



What wages to report

You must report all wages you pay an employee each quarter.

Report these wages

- Salary, commissions, bonuses and value of gifts before deductions.
- Compensation paid in lieu of cash.
- Tips that are reported for federal income tax purposes.
- Vacation and holiday pay.
- Unsegregated expense allowances.
- [Severance pay](#)  or pay in lieu of notice.
- Employees' entire gross pay if they share the cost of a 401(K) or cafeteria plan through salary reduction.
- Meals and lodging if you require an employee to eat and live on site and the total value of meals and lodging is 25% or more of total compensation (value plus salary).

Do not report these wages

- Sick leave (if you have a qualified plan).
- [Allocated tips](#) .
- Jury duty pay not reported for federal income tax purposes.
- Death benefits.
- Employee-exercised stock options.



What hours to report

When reporting hours, round up to the next whole number. We don't accept any fractions of hours. For example, if an employee worked 9.75 hours, you should report 10 hours.

- Salaried employees – Report the actual hours an employee worked. If you don't track hours, report 40 hours per week for full-time employees.
- Commissioned employees – Report the actual hours an employee worked. If you don't track hours, report 40 hours per week for full-time employees.
- Overtime – Report the actual hours an employee worked.
- Vacation pay – Report the number of hours for leave with pay. If you make a cash payment in lieu of vacation time, do not report those hours.
- Payment in kind – Report the actual hours an employee worked.
- Pay in lieu of notice – Report the hours an employee would have worked.

- Severance pay, bonuses, tips and gratuities – Report zero hours. Read about reporting zero hours in the next section.
- Transportation network companies – Report drivers' platform time hours, multiplied by two.

Employees who worked zero hours and received wages

Report zero hours if the only type of wages you paid is similar to those listed below. You need to enter a code explaining why you reported zero hours.

If you do not give us a reason code, you may need to pay an incomplete report penalty. Reporting zero hours is not the same as reporting no payroll.

Common reasons for reporting zero hours include:

- Back pay – Report any payments you made to an employee to adjust the wages that you reported in a previous quarter.
- Bonus – Report any bonuses you paid an employee for hours worked in a previous quarter.
- Cafeteria plan/401K plan – Report the amount you paid to cover the cost of a benefit plan that ensures continued enrollment if the employee worked no hours during the quarter.
- Commercial fisherman – Report the wages you paid a commercial fisherman for hours worked in a previous quarter.
- Commission – Report any commissions you paid an employee for hours worked in a previous quarter.
- Royalties/residuals – Report the amount you paid an author or artist for the use, display or performance of previously created artistic or intellectual works.
- Severance/separation pay/settlement – Report the amount of severance pay you paid an employee following the end of employment. A settlement is an amount paid for a negotiated settlement for termination or violation of an employment contract.
- Sick leave payout – Report the amount you paid an employee for sick leave if the employee worked no hours during the quarter.
- Tips/gratuities – Report any tips or gratuities you paid an employee for hours worked in a previous quarter.

If you have questions, contact our Account Management Center at olympiaamc@esd.wa.gov.

You can find more details at esd.wa.gov/late-tax-payment-penalties.

Employees who work in two or more states

If your business has employees who work in more than one state, you may need to report wages to another state. Answer the following questions, in the sequence shown, to learn which state wages should be reported:

1. Is most of the employees' work performed in Washington state with only minor or temporary tasks performed outside of the state? If so, report all wages to us. If not, contact the state where the services are performed.
2. If employees do not perform most of their work in one state, do they perform some work in the state where their [base of operation](#) is located? If so, report wages to the state where the base of operation is located. If employees do not have a base of operation, consider the next question.
3. If there is no base of operations, do employees provide services in the state from which their work is directed or controlled? This is the location where basic authority and general control comes from (such as a corporate or regional office), rather than the place at which they are supervised. If employees provide services in the state from which the work is directed or controlled, report wages to that state. If not, consider the next question.
4. If employees do not perform any services in the state where work is directed or controlled, do the employees perform some work in the state where they live? If so, report wages to that state.

If you are not sure where wages should be reported, please contact us at olympiaamc@esd.wa.gov.

Employees who work internationally

If you employ U.S. citizens who work outside of the U.S., those wages must be reported to Washington state if both are true:

- The work is not covered by any other state, Canada or the Virgin Islands.
- Your principal place of business is in Washington state.

Quarterly wage reporting exceptions

You are not required to report wages and hours worked for individuals who provide services to your business under any of these circumstances:

- You have a sole proprietorship or partnership and your spouse or children (under the age of 18) work for the family business.
- Real estate or insurance agents if all such services are performed in exchange for a commission.
- Clergy members who perform services primarily for religious purposes.
- Medical students who perform services as a part of a training program.

- Students enrolled in a full-time program at a nonprofit or public school who provide services for academic credits.
- Inmates who perform services at a custodial or penal institution.
- Voluntary participants in a scientific, medical or drug-related testing or research study when the research subjects are paid on a per-study basis.
- Temporary, nonimmigrant workers' wages are exempt per RCW 50.04.206. Workers under (F), (H)(ii), (H)(iii), and (J) visas are exempt from unemployment insurance coverage. See details about RCW 50.04.206 at app.leg.wa.gov/RCW/default.aspx?cite=50.04.206.

Find the full list of occupations exempted from unemployment insurance coverage at esd.wa.gov/media/pdf/1080/esd-exempt-professions-chart.pdf (PDF, 117KB).

What is taxed?

You pay taxes on each employee's gross wages only up to the [taxable wage base](#). The website is updated yearly with the taxable wage base for the following year. You can see the latest details at esd.wa.gov/taxable-wage-base.

Excess wages are not taxable but need to be reported

You must report all wages paid to employees, even if they make more than the taxable wage base. Wages that exceed the taxable wage base are called [excess wages](#). Excess wages are still reportable but are not taxed. They are most often paid during Q3 or Q4, after employees may have earned enough wages to meet the current taxable wage base.

Calculating excess wages

Example: If an employee earns a salary of \$72,000 per year (\$18,000 per quarter) and the taxable wage base in Washington state is \$48,000, then that employee makes \$24,000 in excess wages for the year.

Here is the correct way to calculate and report excess wages.

Correct way to report excess wages			
Quarter	Quarterly wages	Taxable wages	Excess wages
Q1	\$18,000	\$18,000	\$0
Q2	\$18,000	\$18,000	\$0
Q3	\$18,000	\$12,000	\$6,000
Q4	\$18,000	\$0	\$18,000
Totals	\$72,000	\$48,000	\$24,000

Excess wages cannot be distributed equally throughout the year, as shown in the example below, even if employees get an annual salary. This is the wrong way to report excess wages.

Wrong way to report excess wages			
Quarter	Quarterly wages	Taxable wages	Excess wages
Q1	\$18,000	\$12,000	\$6,000
Q2	\$18,000	\$12,000	\$6,000
Q3	\$18,000	\$12,000	\$6,000
Q4	\$18,000	\$12,000	\$6,000
Totals	\$72,000	\$48,000	\$24,000

Other common errors

- Mistakes reporting Social Security numbers (SSN). Make sure that you have entered SSN information correctly.
- Failing to report out-of-state wages.

Paying taxes

If you have employees working in Washington state, you likely pay unemployment taxes on their wages into the [unemployment trust fund](#). These taxes are used to pay benefits to jobless people who meet the eligibility requirements.

You can find additional information on our website at esd.wa.gov/unemployment-trust-fund.

When taxes are due

Your unemployment tax and wage reports are due on the last day of the month after the last day of each quarter. When a due date is on a weekend or state holiday, you may send your report the next business day online or by mail.

By the last day of the month following the last month of the quarter, you must both:

- File all of your tax and wage reports.
- Pay your taxes.

The schedule below shows the due dates for each quarterly tax report. If you are a [reimbursable employer](#), your benefit charging payments are due one month after these due dates.

Tax due date calendar				
Quarter	Months when you paid wages			Due date
Q1	Jan	Feb	Mar	April 30
Q2	Apr	May	June	July 31
Q3	July	Aug	Sept	Oct 31
Q4	Oct	Nov	Dec	Jan 31

NOTE: Filing your tax and wage report earlier in the month can help recently laid off employees access timely benefits.

How to pay your taxes

You can pay your taxes online or by mail.



Online

For fastest service, log in to Employer Account Management Services (EAMS) at secureaccess.wa.gov.



By mail

Mail your report to:
ESD Paper Wage Reports
P.O. Box 84137
Seattle, WA 98124-5437

Note: Your payment must be postmarked by the due date.

Request forms if you want to file by mail

To file your quarterly taxes by mail, you need to ask us for paper forms. We do not accept copies because our forms have special ink that allows us to scan them.

To request paper forms:

- Email us at TaxForms@esd.wa.gov.
- Call us at [855-829-9243](tel:855-829-9243) (855-TAX-WAGE), option 2.

Keep complete records

You must keep the following information on file for each employee for at least four years after the quarter when they were employed by your business:

- Name.
- Full Social Security number. Keep a copy of their Social Security card.
- Dates of employment.
- Basis of pay (for example: hourly, monthly).
- Location of work.
- Daily record of hours worked.
- Gross pay for each pay period.
- Payroll deductions for each pay period.
- Reason for discharge or quit (if applicable).
- Copies of independent contractor agreements and invoices.

Check for the latest records requirements on our website at esd.wa.gov/employer-requirements/employee-records-you-need-keep.

For more information, go to the Washington State Legislature's website to read:

- Employer work records and reports at app.leg.wa.gov/RCW/default.aspx?cite=50.12.070.
- Employer records at app.leg.wa.gov/WAC/default.aspx?cite=192-310-050.

Keep records to avoid fines

Failing to keep employment records as required by law may result in a penalty. Learn about potential penalties at esd.wa.gov/late-tax-payment-penalties.

Professional employer organizations and third-party administrators

Some employers use a [professional employer organization \(PEO\)](#)  or [third-party administrator \(TPA\)](#)  to help them fulfill unemployment tax reporting requirements.

Remember, even if you have given a TPA permission to work on your company's behalf, you are still responsible for ensuring they accurately fulfill the unemployment program reporting requirements.

Wages must be reported under the business' own unemployment tax account. We do not allow shared reporting on the TPA account.

If you choose to use a PEO, you will need to fill out a PEO form, sign a power of attorney (POA) form and submit the forms to us.

If you choose to use a TPA, you will need to sign a POA form and submit it to us.

Ending your relationship with a PEO or TPA

If a PEO ends its relationship with you, it needs to submit the Professional employer organization - new client or client termination form within 30 days.

TPAs who terminate their relationship with you need to tell us in writing the date they stopped representing you.

You can also notify us by emailing uifiles@esd.wa.gov if either a TPA or PEO is no longer representing you.

Where to find the forms

Find the PEO form and Power of attorney form at esd.wa.gov/tax-forms.

How to submit the forms

You can submit the forms to us:



By mail

Employment Security Department
Registration Unit
PO Box 9046
Olympia, WA 98507-9046



By fax

Fax your appeal to 800-794-7657.



By email

Email to uifiles@esd.wa.gov.

Audits

We are required by federal law to do payroll audits on some active employers each year. Audits help ensure employers are reporting accurately and paying the correct amount of unemployment taxes on time.

Types of employer audits

Random audits

Each year, our computer system randomly selects employer accounts to be audited. Every employer in Washington has an equal chance of being selected for this type of audit.

Request audits

We conduct this type of audit when we receive a tip or referral about potentially fraudulent activity by an employer. It can also be triggered if an employer fails to cooperate with a benefit claim investigation or wage audit.

Targeted audits

Data shows certain employers are less likely than others to follow unemployment tax requirements. Industry or business type, prior reporting history, high employee turnover and other factors inform this data. We are more likely to audit these employers.

Large employer audits

We audit businesses that paid wages to 100 or more workers during the current or previous calendar year.

Large payroll audits

We audit businesses that have reported \$5 to \$20 million in gross wage and have 20 to 75 employees in the current or previous calendar year.

Voluntary audit program

You can ask us to review your records and verify you are reporting correctly – without fear of penalty. If the review finds you are not reporting correctly, we do not charge late-payment penalties or assign a delinquent tax rate. However, you do have to pay all taxes due and any interest charges. If we find that you have overpaid your unemployment taxes, we will send you refund.

If you have questions about an audit or want a voluntary audit review, email us at auditcentral@esd.wa.gov.

Employer participation in benefit claims investigations or wage audits

Each quarter, our computer system randomly selects claims to be audited. We ask employers to provide hours worked and gross wages to see if that information matches what the claimant provides. This helps prevent overpayments for benefits that claimants are not eligible to receive.

Your responsibilities during an audit

If your business is selected for an audit, you are responsible for being prepared and cooperative. This includes sharing the following records, as requested:

- Employment and payroll records.
- Check registers, check books, cancelled checks and bank statements.
- Journal ledgers/general ledger.
- Corporate minutes.
- Vendor lists and files.
- Cash payment records.

- Annual financial statements (income and expense reports, balance sheet, etc.).
- Federal and state income tax returns, including forms, such as 1099, W-2, W-4, Form 940 and Form 941.
- Non-payroll payments to people, such as invoices, contracts, receipts, etc.

Your rights during an audit

All employers have the right to be treated fairly throughout the audit process.

- You have the right to be approached without bias or prejudice. Just because you are being audited does not mean you have done something wrong.
- You or your designee has the right to receive a report stating the audit findings, as well as the facts that led to our decision.

Potential outcomes of an audit

After the audit, we will inform you if any of these are true:

- You are following unemployment program requirements.
- You previously overpaid taxes and are due a credit or [refund](#) .
- You owe additional taxes. We will provide details of the findings, including taxes, penalties, interest owed and your payment options. We will also detail how to file and pay correctly in the future.

You have the right to [appeal](#)  the findings of the audit if you disagree. Learn more about the process at esd.wa.gov/appealing-audit-findings.

Appeal rights

You have the right to appeal decisions we made regarding your account, such as:

- Your tax rate.
- A penalty we have charged you.
- Employee eligibility for unemployment benefits.
- Audit findings, if we audited your business.

If you want to appeal, you need to submit it within 30 days from the date the determination letter was mailed.

If you appeal after 30 days, you need to explain why you are appealing late. The Office of Administrative Hearings may dismiss your case if you do not have a good reason for a late appeal.

How to submit an appeal

Appeals about unemployment taxes

Your appeal needs to be in writing and include:

- Your business name.
- Your address and phone number.
- The reason you disagree with our decision.
- Your Employment Security Department (ESD) number.

You can send your appeal:



By mail

Employment Security Department
Tax Appeals
PO Box 9046
Olympia, WA 98507-9046

Note: You must postmark your letter within 30 days of the date on the appealable document we sent you.



By email

Send by email to UITaxLegalAppeals@esd.wa.gov.

Appeals about unemployment benefits

If you disagree with a benefits decision for a current or former employee and want to appeal, follow the appeal instructions in the determination letter sent to you.

You can submit your appeal:



Online

Go to eServices site at secure.esd.wa.gov.



By mail

Claims Center Appeals
P.O. Box 19018
Olympia, WA 98507-0018



By fax

Fax your appeal to 800-301-1795.

What to expect during the appeal process

After we receive your appeal, we will send you a Notice of Hearing with the date and time of your [appeal hearing](#). An impartial hearing officer from the Office of Administrative Hearings (OAH) is responsible for the appeal hearing.

The hearing officer will issue a written decision after the hearing. This will be mailed (or emailed if you told us that email is your contact preference) to you and any other interested parties, such as your former employee(s). If you disagree with a hearing officer's decision, you may appeal that decision.

The importance of attending all appeal hearings

You may be required to attend an appeal either because you filed the appeal or because an employee filed an appeal regarding their employment with you.

- If you fail to attend a hearing for an appeal that you filed, your appeal will be dismissed. You will have the option to appeal the dismissal, but you will need to provide a good reason for why you missed the original appeal hearing.
- If you fail to come to a hearing for an appeal that an employee filed, OAH may make a decision based solely on the facts presented by your former employee. When you present your facts in the appeal hearing, the hearing officer is better able to make a fair determination.

Unemployment fraud

If you knowingly misrepresent the amount of your payroll on your quarterly tax and wage reports, you are committing fraud and you could be charged penalties.

Fraudulent business activities

Employers who try to conceal business activities are a tax liability for government agencies and businesses. This “underground economy” includes tax evasion, fraud, cash payments, payments “under the table” or “off the books.”

Employers using this underground economy may be subject to taxes, interest and other penalties.

Misclassifying workers

Misclassification is when you classify workers as independent contractors, even though they are employees. Misclassification hurts workers during a layoff because they are not eligible for unemployment benefits. Employers who misclassify their workers may be subject to taxes, interest and other penalties.

If you are uncertain how to classify a worker, visit esd.wa.gov/independent-contractors. Here are some examples of differences between employees and independent contractors.

Employees

- Have assigned hours or a set schedule.
- Are provided with the tools and materials necessary to do their work.
- Often have only one employer.
- May receive benefits (such as health insurance) from your company.
- Receive employment protections from your company.

Independent contractors

- Set their own schedules.
- Accept jobs on a case-by-case basis and can turn down work.
- Supply their own tools.
- Often advertise their business to attract clients.
- Do not receive benefits or employment protections from the companies they work for.
- Have been and will continue to be free from direction and control over their work.

State Unemployment Tax Act (SUTA) dumping

The [State Unemployment Tax Act \(SUTA\)](#) describes unemployment taxes. In Washington state, employers are responsible for paying federal and state unemployment taxes. Each state determines its own SUTA tax rate.

SUTA dumping is a tax evasion scheme where employers shuffle employees among different employer accounts to get a lower tax rate. This is illegal and unfairly places tax responsibility only on honest employers who report and pay their taxes correctly.

Fictitious employer schemes

Fictitious employer schemes occur when someone takes over an inactive employer account. Or it occurs when someone creates a false employer account and misuses it to collect unemployment benefits for someone not eligible for benefits. To help fight this fraud, please be sure you notify us if your business has closed, no longer has employees or if you receive unemployment-related mail that does not belong to you.

To deactivate an employer account, use the business change 5208C-1 form available at esd.wa.gov/tax-forms.

How to avoid fraud

The most important thing for you to do is report information and wages accurately. If you intentionally make false statements or hide information to reduce your tax liability, you are committing fraud. If you are confused about what you are supposed to do or report, check esd.wa.gov/employer-requirements or call us at [855-829-9243](tel:855-829-9243). We are here to help.

How you can help prevent fraud

You can help prevent fraud by:

- Using the online Social Security Administration's number verification service at ssa.gov/employer/ssnv.htm to verify that every new employee's Social Security number matches Social Security Administration records.
- Thoroughly reviewing every notice you receive from us. If the employee listed never worked for you, has not had their hours reduced, or still works for you full time, contact us immediately.

Report suspected fraud

If you are aware of an employer who is committing unemployment fraud, please report it at esd.wa.gov/fraud.

Tips about possible fraud are pursued by our team of investigators.

Reducing fraud helps control unemployment costs and lowers tax rates.

What we do to stop fraud

Some of the ways we identify employers committing unemployment fraud:

- Comparing earnings reported by workers and their employers.
- Running [Queries](#) and [crossmatches](#) to identify schemes and false registration information.
- Auditing employers.
- Comparing new-hire and quarterly wage data to other government agency records.

Penalties and interest

You must file complete and accurate tax and wage reports every quarter. You may be charged penalties and interest if your tax and wage reports and payments are late, incomplete or in an incorrect format.

Common mistakes to avoid

Here are some common reasons that employers may be charged penalties and interest:

- Failing to register with us (via business registration on DOR website).

- Filing wage reports late.
- Paying taxes late.
- Failing to keep employment records.
- Leaving the SSN field blank for at least one employee on a quarterly report.
- Including duplicate or impossible SSNs (such as 999-99-9999) in your quarterly report.
- Reporting zero hours for an employee without providing a reason for the zero hours.
- Failure to include SOC code or job title or submitting invalid SOC codes.

Penalty amounts

We fine employers who do not comply with program requirements as outlined by state law.

Learn more at esd.wa.gov/late-tax-payment-penalties.

Waiver requests

Employers can request a waiver of penalties and interest. We evaluate each request, with the [burden of proof](#) placed on the employer. Be sure to include all relevant facts and available proof.

Learn more at esd.wa.gov/late-tax-payment-penalties.

Your role when workers apply for benefits

You need to provide us with all employment information needed to accurately administer the law. We use the employment information you provide to make eligibility determinations for your former employees.

Most employees will apply for benefits after they become unemployed. They may apply even while continuing to work part-time for you. We will gather information from you and the worker to determine if they are eligible, and if so, the amount of benefits available to them.

An employee who has filed a claim for benefits is called a claimant.

How workers qualify for benefits

An employee's benefits eligibility is based on the wages and hours reported to us during their base year by all their employers. The base year is the first four of the previous 5 completed calendar quarters completed at the time they apply for benefits.

If a worker does not have at least 680 hours in the first 4 of the previous 5 completed quarters, they may qualify by using the four most recent quarters completed at the time they apply for benefits. This is called an alternate base year.

To be eligible for benefits, a worker must:

- Have worked at least 680 hours in employment covered by RCW Chapter 50 during their base year. Hours include those worked for all employers in their base year, not just hours they worked for you. They may qualify for benefits even if they didn't work 680 hours for you.
- Be unemployed due to no fault of their own. Workers who are laid off or working reduced hours are generally eligible for benefits, if they meet all of the other requirements.
- Be able and available to work full time.
- Be actively seeking full-time work, unless we have told them otherwise.

Workers are generally not eligible for benefits if:

- They were fired due to misconduct. However, we assess each application on its own merits.
- They quit their job, unless they can show good cause for quitting. You can find more details about quitting for good cause on our website at esd.wa.gov/you-quit.

If a worker files a claim based on their alternate base year, we might ask you to report their wages and hours earlier than usual. This will help us process their claim. Learn more at esd.wa.gov/basic-eligibility-requirements.

How unemployment claims affect an employer

If a taxable employer has wages reported for a claimant during the base year of their claim, the employer's tax rate may be affected.

[Reimbursable employers](#)  are charged dollar-for-dollar for their share of benefits the claimant receives.

If a claimant worked for you during their base year, we will send you a Benefit Charging Notice at the time the claimant applies. It will show you what percent of base year wages you reported to us, and the total potential amount of benefits the claimant may receive. If more than one employee filed a claim during that week, multiple employees will be listed on the notice.

Employers can request relief of benefit charging using the Benefit Charging Notice or on eServices. If you are relieved of benefit charging, you will receive a determination letter stating this. If your request for relief of benefit charging is denied, you have the right to file an appeal. You can find more details at esd.wa.gov/benefit-charges.

Requests for employment and wage data

When employees report that they recently separated from employment with you, you will receive either a paper Request for Separation Information (RSI) form mailed to you, an eServices notification through your email, or a SIDES request (with a notification in your email), depending on the method you selected when you set up your account with us.

If you do not return your completed RSI or respond to our electronic request by the date noted in the letter or reply to follow-up requests by the date included in the notice, we will make a decision based on the information we have.

You can respond in these ways:

- Request for Separation Information form. Fill out the paper questionnaire and mail or fax it to us.
- eServices notification. Log into eServices at secure.esd.wa.gov and select the employer under “Clients.” Then select “We need more information from you” under “Alerts.”
- State Information Data Exchange System (SIDES) request. Log into uisides.org with your FEIN, ESD account number and PIN. If you have trouble logging in, contact us at ESDGPSAWissues@esd.wa.gov. For other help using SIDES E-Response, view their SIDES user guide at esd.wa.gov/media/pdf/336/separation20information20e-response20user20guidepdf.

An Employment Security adjudicator may contact you if we need more information about the separation.

By giving us the requested information, you can help us make accurate decisions, reduce appeal requests and keep unemployment costs as low as possible.

When we have completed our fact-finding about any separation issue, you will receive a determination letter. You and the claimant will both have the right to appeal our decision if either party disagrees with it.

You can ask us to remove benefit charges from your account by using the Benefit Charging Notice you will receive if you are a base year employer.

Reply to requests for information

When you quickly reply to our requests for information, you help ensure benefits are paid correctly and keep costs down.

Learn more at esd.wa.gov/employer-requirements/when-former-employee-files-unemployment.

Refusing an offer of suitable work

To remain eligible for benefits, claimants must be able to work, available to work and complete approved job search activities. If you offer a job to someone who refuses your offer, you must notify us.

Those who refuse suitable work may not be eligible to receive benefits. By notifying us about such a refusal, you help to control costs.

You can notify us by:



eServices

Log into your employer account at secure.esd.wa.gov/home.



Phone

[877-504-5607](tel:877-504-5607).



Fax

800-301-1796.



Mail

Employment Security Department
UI Imaging Unit
P.O. Box 19019
Olympia, WA 98507-0019

Learn more at esd.wa.gov/employer-requirements/report-someone-who-refuses-job-offer.

Quarterly Statement of Benefit Charges

Each quarter we send you a Statement of Benefit Charges with a summary detail about any claimant benefits being charged to your employer account for the quarter.

Report issues to Rates Unit

If you have any questions or concerns about your statement, please contact the Rates Unit immediately at [855-829-9243](tel:855-829-9243). Some of the most common issues include:

- People who were never employed by your business.
- Former employees who were fired for misconduct or voluntarily quit their job.
- Former employees who appear to be receiving more benefits than expected.

How we calculate charges

If a claimant worked for more than one employer during the [base period](#), each employer is charged an amount equal to the percentage of wages earned through that employment. If the claimant had only one employer, all benefits are charged to that employer's account.

Benefit charge examples				
Name of employer	Total wages earned	% wages earned	Claimant's weekly benefit amount	Charge to employer account per week
Tidy Maids	\$40,000	80%	\$200	\$160
Excellent Cleaners	\$10,000	20%	\$200	\$40

More resources from Employment Security

We offer a variety of programs for employers.

Ways to avoid permanently losing employees

We offer programs to help employers find alternatives to permanent layoffs.

SharedWork

SharedWork allows you to reduce employees' usual hours from 10% to 50%. Workers collect unemployment to replace part of their lost wages. Learn more at esd.wa.gov/get-financial-help/sharedwork-program.

Standby

During a temporary layoff, when an employer plans to rehire one or more laid-off employees within a certain time, you can ask us to put these workers on standby. Workers can get unemployment benefits without having to look for work during the approved standby period.

Learn how standby works and how to apply at esd.wa.gov/temporary-layoffs-and-furloughs.

Partial unemployment

If your employees are partially unemployed or furloughed for up to four months, they may apply for unemployment benefits. Also, they will not have to meet the job search requirements.

Learn more at esd.wa.gov/temporary-layoffs-and-furloughs.

Help with permanent layoffs

Rapid Response program

We partner with the U.S. Department of Labor and other state and local workforce development offices to support you and your staff if you need to lay off a large number of employees.

Go to the Washington Workforce Association website at WashingtonWorkforce.org/challenges-2 to learn more about Rapid Response and to find a coordinator in your area.

Learn about other layoff resources we offer at esd.wa.gov/temporary-layoffs-and-furloughs.

Hiring veterans

Veterans may have the skills you need. Learn where to get help with hiring veterans for your business at esd.wa.gov/hiring-veterans.

Work Opportunity Tax Credit

Employers can pay less in taxes by hiring people who may struggle to find a job. Learn the requirements and how to apply for this tax credit.

You can reduce your federal business taxes by \$2,400 to \$9,600 for each employee who qualifies. The amount is based on:

- The employee's background.
- The employee's wages and hours.

Learn more at esd.wa.gov/wotc.

Paid Family and Medical Leave

Paid Family and Medical Leave gives Washington employees a way to take paid time off to care for themselves or a family member. You don't have to worry about managing your employees' claims or figuring out if they are eligible. Employees apply for Paid Leave directly with Employment Security.

Please call [833-717-2273](tel:833-717-2273) if you have questions about this program. You can also email paidleave@esd.wa.gov. To get you to the right team, write in the subject line either:

- "UBI" followed by your nine-digit UBI.
- "BUSINESS" followed by your business name.

Learn more about the program and your role as an employer by visiting the Paid Leave website at paidleave.wa.gov/employers.

WA Cares Fund

The WA Cares Fund is a public long-term care insurance program. All working Washingtonians contribute a small percentage of their income to the fund. Then when you need care, you can access your earned benefit to pay for services.

Employers report WA Cares and Paid Leave premiums from employees at the same time on the same report. Learn more on the Paid Leave website at wacaresfund.wa.gov/employers.

Appendixes

Appendix A – Legal disclosures

Data sharing agreement

Under state and federal law, government agencies may access private and confidential employment information when necessary for specific official purposes including, but not limited to:

- Verifying an individual’s eligibility for other government programs.
- Compliance activities.
- Fraud detection and criminal investigations.
- Research and evaluation of publicly funded employment and training programs.
- Studies concerning growth management.

Equal opportunity information

It is against the law for this recipient of federal financial assistance to discriminate on the following bases:

- Against any individual in the U.S., on the basis of race, color, religion, sex (including pregnancy, childbirth, and related medical conditions, sex stereotyping, transgender status, and gender identity), national origin (including limited English proficiency), age, disability, or political affiliation or belief.
- Against any beneficiary of, applicant to, or participant in programs financially assisted under Title I of the Workforce Innovation and Opportunity Act, on the basis of the individual’s citizenship status or participation in any WIOA Title I–financially assisted program or activity.

The recipient must not discriminate in any of the following areas:

- Deciding who will be admitted or have access to any WIOA Title I–financially assisted program or activity.
- Providing opportunities in or treating any person with regard to such a program or activity.
- Making employment decisions in the administration of or in connection with such a program or activity.

Recipients of federal financial assistance must take reasonable steps to ensure that communications with individuals with disabilities are as effective as communications with others. This means that, upon request and at no cost to the individual, recipients are required to provide appropriate auxiliary aids and services to qualified individuals with disabilities.

What to do if you believe you have experienced discrimination

If you think that you have been subjected to discrimination under a WIOA Title I–financially assisted program or activity, you may file a complaint within 180 days from the date of the alleged violation.



To file a complaint by phone

Call ESD's Equal Opportunity Office at [855-836-5598](tel:855-836-5598).

If you have a hearing or speech impairment, use Washington Relay 711.



To file a complaint by email

Email ESD's Equal Opportunity Office at esdgpeo@esd.wa.gov.



To file a complaint by mail

Send information about your complaint to:

ESD's Equal Opportunity Office

PO Box 9046

Olympia, WA 98507

Or send to:

The Director - Civil Rights Center

U.S. Department of Labor

200 Constitution Avenue, NW, Room N-4123

Washington, DC 20210



To file a complaint online

Follow directions on the federal Civil Rights Center (CRC) website at dol.gov/crc.

If you file your complaint with the recipient, you must wait either until the recipient issues a written Notice of Final Action, or until 90 days have passed (whichever is sooner), before filing with the Civil Rights Center. (See address in this section.) If the recipient does not give you a written Notice of Final Action within 90 days of the day on which you filed your complaint, you may file a complaint with CRC before receiving that Notice. However, you must file your CRC complaint within 30 days of the 90-day deadline (in other words, within 120 days after the day on which you filed your complaint with the recipient). If the recipient does give you a written Notice of Final Action on your complaint, but you are not satisfied with the decision or resolution, you may file a complaint with CRC. You must file your CRC complaint within 30 days of the date on which you received the Notice of Final Action.

Accommodations for people with disabilities

We will make accommodations to allow your participation in all unemployment programs, activities, and services. To request an accommodation for a disability, please contact us at [844-395-6698](tel:844-395-6698) or email us at ESDGPUIAccomms@esd.wa.gov.

Appendix B – Glossary

Allocated tips – Allocated tips are most common in service industries, such as restaurants. These types of tips are reported to the IRS by employers, as opposed to workers reporting their own tips.

Appeal – A process for requesting a formal review of a prior unemployment decision.

Appeal hearing – A meeting to consider an unemployment benefit appeal. Each party (you and the employee, in most cases) can tell an impartial hearing officer what they believe the relevant facts are related to the issue on appeal.

Base of operation – A location from which employees usually start and return to work.

Base period – The completed quarters used to determine unemployment benefit eligibility. At the time someone applies for benefits, we review wages from the first four of the last five completed calendar quarters to determine eligibility. If a claimant does not meet eligibility requirements using the base year, the alternate base year may be used. The alternate base year is the last four completed calendar quarters.

Benefit week – A seven-day period when a claimant has an active claim. The benefit week begins on Sunday and ends at midnight the following Saturday.

Benefit year – Also called a claim year, this is the 52 weeks from the claim effective date to the claim end date.

Benefits – The money given to eligible people who are unemployed due to no fault of their own.

Burden of proof – The necessity or duty of proving a fact or facts in a dispute on an issue raised between parties.

Claim end date – Also called a benefit year end, this is the last Saturday of a benefit year. It falls 52 weeks after the claim effective date.

Claimant – An former employee who files a claim for unemployment benefits.

Contributions – Unemployment tax payments.

Crossmatches – The automated comparison of data from various sources. It includes, but is not limited to, unemployment claim information, employer account information, other agency data, etc., to detect potential fraudulent characteristics.

Determination – A document that explains a decision made by Employment Security staff regarding benefit eligibility for a claimant or the tax status of an employer. Determinations are based on state law and provide information on appeal rights. Sometimes referred to as an assessment.

Effective date of claim – The Sunday of the week in which a claimant applies for benefits.

Employer Account Management System - One service available in eServices. Primarily, employers use EAMS to pay unemployment taxes and submit quarterly tax and wage reports. When you have access to locked services in EAMS, you can use more features in both eServices and EAMS.

Excess wages – Non-taxable wages an employee earns in excess of the current year’s taxable wage base.

Federal Unemployment Tax Act (FUTA) – Federal law that levies a federal unemployment tax on businesses with employees. FUTA funds the federal share of the costs of administering state unemployment law. In addition, FUTA covers some administrative costs of job service programs, pays one-half the cost of extended unemployment benefits (during periods of high unemployment) and provides a fund states may borrow from to pay benefits temporarily when there are insufficient funds in the state’s own unemployment trust fund.

Fiscal year - July 1 to June 30 each year.

Fraud – Knowingly claiming or accepting unemployment benefits illegally. Fraud is a crime.

Full-time work – Working 32 to 40 hours per week.

Gross earnings – The amount of money paid for work before taxes and deductions are taken out.

Maximum benefit amount – The maximum amount of benefits a claimant may receive during a benefit year.

Misconduct – Careless or deliberate behavior that results in an employee being fired or suspended from a job. Examples include dishonesty related to employment, unexcused absences, or violation of a company policy.

National Directory of New Hires – A national database used:

- To help state child support agencies locate parents and enforce child support orders.
- By unemployment programs to crossmatch against claims to prevent and detect benefit year earnings errors.

Net earnings – A worker’s take-home pay, after taxes and deductions are taken out.

No payroll report – A quarterly report that indicates no payroll in the quarter.

Penalty – An amount of money charged to an employer for improperly reporting information or failing to pay unemployment taxes.

Quarter 1 (Q1) – Jan. 1 through March 31.

Quarter 2 (Q2) – April 1 through June 30.

Quarter 3 (Q3) – July 1 through Sept. 30.

Quarter 4 (Q4) – Oct. 1 through Dec. 31.

Queries – Requests for data from a database or table, usually made by an investigator or adjudicator on a benefit claim that has been flagged by a crossmatch or a watchful claims processor.

Professional employer organization (PEO) – A firm that provides to employers tasks related to employee benefits, payroll, unemployment insurance, worker's compensation, recruiting, risk/safety management, and training and development. The PEO does this by hiring a client company's employees, creating a co-employment relationship with the client company.

Refund – Money given back to an employer for overpayment.

Reimbursable employer – A nonprofit organization, government agency or federally recognized Native American Tribe that is billed (not taxed) for unemployment benefits received by its former workers.

Separation – When an employee or employer ends the working relationship. This can be due to a quit, discharge, leave of absence, suspension or layoff.

Severance pay – Money paid to an employee in addition to wages and any other money that employers owe employees when their employment ends. Severance pay may also be called separation, termination or final pay.

Social Security number (SSN) – A 9-digit number issued by the Social Security Administration to identify someone who may work or receive government services.

State Unemployment Tax Act (SUTA) – A law that describes the state unemployment taxes imposed on employers. State unemployment tax laws vary by state and each state determines its own SUTA rate and rating methodology within the framework of the Federal Unemployment Tax Act (FUTA).

Taxable wage base – The maximum amount of wages subject to taxes for any employee paid by the same employer in a given year.

Third-party administrator (TPA) – An organization that serves as an employee representative by managing administrative tasks, such as employee benefits or payroll processing, on behalf of another company.

Unemployment trust fund – A fund established in the U.S. Treasury. It holds unemployment taxes, which are used to pay unemployment benefits.

Voluntary quit – Resigning from or leaving one's job without being terminated. For unemployment insurance purposes, workers who voluntarily leave their job without "good cause," as defined by state statute, is not eligible to collect unemployment benefits.

Weekly benefit amount (WBA) – The maximum amount of money a claimant is eligible to receive per benefit week.

Appendix C – Forms

All available employer forms are on our employer forms, posters and information webpage at esd.wa.gov/tax-forms.

Form 940

If your business meets the criteria to pay combined tax, use this form to file an Unemployment Tax Return with the IRS to receive credit against Federal Unemployment Tax liability. Find instructions on the IRS website for Form 940 (2024) at irs.gov/instructions/i940.

Quarterly Unemployment Tax Summary and Quarterly Wage Detail form

To file your quarterly taxes by mail, you need to ask us for paper forms. We do not accept copies because our forms have special ink that allows us to scan them.

To request paper forms:

- Email us at TaxForms@esd.wa.gov. Include your ESD number, mailing address and how many forms you need.
- Call us at [855-829-9243](tel:855-829-9243) (855-TAX-WAGE), option 2.

Appendix D – State Information Data Exchange System (SIDES)

SIDES is a free tool that allows employers to share information electronically and securely with the Employment Security Department.

Benefits of SIDES

By using SIDES, you can:

- Receive an email notification of a claim being filed within 24 hours, allowing for additional time to gather needed information.
- Reduce staff time, paperwork, postage costs and lost forms.
- Reduce follow-up time and phone calls.
- Easily attach supporting documents to information requests.
- Protect sensitive employer and claimant information.
- Gain access to data checks that help ensure fully completed responses.

Separation Information Exchange

This sends a request for separation information to the employer after a claim for benefits is filed.

Connection options

There are two ways you can connect to SIDES:

- SIDES E-Response – Most small-business owners prefer this option. You need internet access to connect to the secure website.
- SIDES integration – This option is generally used by large employers and [third-party administrators \(TPAs\)](#) or [professional employer organizations \(PEOs\)](#). Integration can streamline the response process for organizations who deal with a large volume of unemployment requests.

Get started using E-Response

To begin using E-Response:

- Gather your company's Federal Employer Identification Number (FEIN) and State Unemployment Tax Account number.
- Fill out the SIDES E-Response registration form on eServices at secure.esd.wa.gov.
- Confirm your email address.
- Receive your SIDES E-Response PIN.

You can find more details on using SIDES E-Response in their Separation Information E-Response Users Guide at esd.wa.gov/media/pdf/336/separation20information20e-response20user20guidepdf (PDF, 731 KB).

NOTE: If you use a TPA, Employee Leasing Company or PEO, contact your representative before using E-Response.

Using SIDES integration

SIDES integration requires your business to either provide IT resources to develop the software or subscribe to a software provider who offers software as a service. To learn more about this option, please visit the National Association of State Workforce Agencies website at naswa.org/u/sides.



Employment Security Department
WASHINGTON STATE

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