Resources for Washington businesses
Gain important insights about the SharedWork program and tax and wage requirements for a competitive workforce advantage!

Wednesday, July 13, 2022
12:00 PM - 1:00 PM
SharedWork & Tax and Wage

Welcome
SharedWork Requirements

**Employer Requirements for SharedWork:**

1. Must be a legally registered business in Washington state.
2. Must have an Employment Security Department (ESD) number.
3. Must have at least two permanent employees, who are not corporate officers, affected by a reduction in hours and wages.
4. Continue to provide same benefits to employees.

**Employee Requirements for SharedWork:**

1. Employee must qualify for a valid claim. (680 hours)
2. All permanent employees may participate in SharedWork.
### Scenario: 20 percent payroll reduction

<table>
<thead>
<tr>
<th>Without SharedWork</th>
<th>With SharedWork</th>
</tr>
</thead>
<tbody>
<tr>
<td>20% employees laid off</td>
<td>All employees working 20% fewer hours.</td>
</tr>
</tbody>
</table>

#### Average Weekly Income (before reduction)

<table>
<thead>
<tr>
<th>Without SharedWork</th>
<th>With SharedWork</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Hours worked</strong></td>
<td><strong>Hours worked (reduced by 20%)</strong></td>
</tr>
<tr>
<td>0</td>
<td>32</td>
</tr>
<tr>
<td><strong>Weekly Benefit (Unemployment Insurance)</strong></td>
<td><strong>Weekly Benefit (Unemployment Insurance)</strong></td>
</tr>
<tr>
<td>$400</td>
<td>$80</td>
</tr>
<tr>
<td><strong>Weekly Wage</strong></td>
<td><strong>Weekly Wage</strong></td>
</tr>
<tr>
<td>0</td>
<td>24</td>
</tr>
<tr>
<td><strong>Weekly Income without SharedWork</strong></td>
<td><strong>Weekly Income with SharedWork</strong></td>
</tr>
<tr>
<td>$400</td>
<td>$720</td>
</tr>
</tbody>
</table>

#### After 20% Workforce Reduction

<table>
<thead>
<tr>
<th>Without SharedWork</th>
<th>With SharedWork</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Average Weekly Income (before reduction)</strong></td>
<td><strong>Average Weekly Income (before reduction)</strong></td>
</tr>
<tr>
<td>$800</td>
<td>$800</td>
</tr>
<tr>
<td>$20 x 40 hrs</td>
<td>$20 x 40 hrs</td>
</tr>
<tr>
<td><strong>Weekly Benefit (Unemployment Insurance)</strong></td>
<td><strong>Weekly Benefit (Unemployment Insurance)</strong></td>
</tr>
<tr>
<td>$400</td>
<td>$80</td>
</tr>
<tr>
<td><strong>Weekly Wage</strong></td>
<td><strong>Weekly Wage</strong></td>
</tr>
<tr>
<td>$0</td>
<td>$640</td>
</tr>
<tr>
<td><strong>Weekly Income without SharedWork</strong></td>
<td><strong>Weekly Income with SharedWork</strong></td>
</tr>
<tr>
<td>$800</td>
<td>$720</td>
</tr>
</tbody>
</table>

#### After 20% SharedWork Reduction

<table>
<thead>
<tr>
<th>Without SharedWork</th>
<th>With SharedWork</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Hours worked</strong></td>
<td><strong>Hours worked (reduced by 20%)</strong></td>
</tr>
<tr>
<td>0</td>
<td>32</td>
</tr>
<tr>
<td><strong>Weekly Benefit (Unemployment Insurance)</strong></td>
<td><strong>Weekly Benefit (Unemployment Insurance)</strong></td>
</tr>
<tr>
<td>$400</td>
<td>$80</td>
</tr>
<tr>
<td><strong>Weekly Wage</strong></td>
<td><strong>Weekly Wage</strong></td>
</tr>
<tr>
<td>$0</td>
<td>$640</td>
</tr>
<tr>
<td><strong>Weekly Income without SharedWork</strong></td>
<td><strong>Weekly Income with SharedWork</strong></td>
</tr>
<tr>
<td>$800</td>
<td>$720</td>
</tr>
</tbody>
</table>

#### Without SharedWork

- **Laid off worker**: 
  - Hours worked: 0
  - Weekly Benefit (Unemployment Insurance): $400
  - Weekly Wage: $0
  - Weekly Income: $400

#### With SharedWork

- **Full-time employee**: 
  - Hours worked: 40
  - Weekly Benefit (Unemployment Insurance): $0
  - Weekly Wage: $800
  - Weekly Income: $800
The employer calls SharedWork at 800-752-2500 option 3 to check business eligibility.

The employer assigns a SharedWork representative and submits an Employer Plan Application and a Participant List.

Once the employer plan is approved, each participant submits an Employee Application and begins filing weekly claims.

The employee receives earned wages and a share of unemployment insurance benefits when hours are reduced.

The employer representative checks the weekly SharedWork Payments Report for accuracy.
“At times you may need to reduce hours or get assistance with payroll while adjusting your business to the economy. Our employees have been very excited to keep their job and maintain their income with the SharedWork program, and we have been excited to keep our skilled, trained workers. SharedWork helps us to keep running our business full speed.”
Sharon Grant, O’Ryan Industries

“Client care has ebbed and flowed based on the pandemic, and Shared Work has given us the flexibility to take care of our staff, while saving payroll when there isn’t enough work – (as a non-profit, this is especially important!)”
Michael LaTour, Associate Director

“Our employees are thankful we used it, and happy they do not have to draw full unemployment. There are so many advantages to SharedWork. We do not know what the future will bring. Get approved for SharedWork!”

“What felt like the right thing for our employees was not just to pick five or ten of our newest employees and let them go because of the pandemic ... and so SharedWork saved us!”
Erica Baldridge, Director of Human Resources
Employers can verify their eligibility in minutes and get answers by calling 800-752-2500 and choosing Option 3.

800-752-2500
8am to 4pm, Monday through Friday

Option 1 – Claims
Option 2 – Existing Plans
Option 3 – New Plan Inquiry
Option 4 – I was asked to call sharedworkplandtect@esd.wa.gov

More ways to learn about SharedWork

• Watch a commercial by clicking here.
• The SharedWork program will be hosting many regional and statewide free virtual events for employers in Washington. Check out our event lineup: esd.wa.gov/SharedWork/events
• The SharedWork program will be hosting weekly webinars through the year end to help businesses get informed. Wednesdays 8:15 am SharedWork Q&A for businesses. Click here to register.
• Download the SharedWork info card by clicking here.
Tax & Wage

One call resolution for all customers who need assistance
Tax & Wage

KEY COMPONENTS OF TAX & WAGE

- Report filing and payments
- Tax rate calculations
- Relief of benefit charges
- Wage and hour adjustments (amendments)
- Waivers of penalties & interest
- Audits and investigations
- Tax Refunds
Overview of UI Tax

- Reports & payments are due quarterly. Late payments & reports are assessed penalties & interest and could affect your annual tax rates.
- To report & pay go to [www.esd.wa.gov](http://www.esd.wa.gov).
- The tax due is calculated by multiplying the taxable wages by the tax rate.
- Amendments are corrections to reports. Employers have three years to amend reports. Amendments may impact your tax rate.
- Tax Rates: Delinquent rates will be assessed for late penalties & interest.

Quarterly Reports are due at the end of the month following the quarter.

Q1: April 30th  
Q2: July 31st  
Q3: October 31st  
Q4: January 31st
Example of 2021

The tax due is calculated by multiplying the taxable wages by the tax rate. Wage base 2022 = $62,500

• If the employee's salary = $55,000, pay taxes on $55,000.
• If the employee's salary = $63,000, pay taxes on $62,500 of their wages.

The amount over the taxable wage base of $62,500 ($500 in the example) is considered excess wages. Excess wages are reported (for unemployment-insurance benefits purposes), but are subtracted from the employee's total wages, so they do not pay taxes on the amount above the taxable wage base.
Common questions

▪ What is my billing statement for?
  ▪ This is a balance due on your tax account.

▪ How do I file & pay my quarterly taxes?

▪ How do I update my address, close my account or update owner/officers?
  ▪ Fill out business change form 5208C-1 or owner/officer change form: https://esd.wa.gov/employer-taxes/forms-and-publications

▪ I need to correct my quarterly filing. How do I fix it?

▪ I received a Benefit Charge Notice. What is this?
  ▪ It is not a bill. This is advising employers a former employee is claiming UI and their tax account may be charged. To request relief of benefit charges email UIFILES@ESD.WA.GOV, or follow instructions on the form.
Tax & Wage
Basic overview of the UI Tax Experience Rates

**TAX RATES**

- Tax Rates are made up of three components: UI tax rate, Social cost & the EAF (Employment Administrative Fund). For 2022, Social cost is capped at .5%.

- Rates are based on your employment experience - benefit charges and taxable wages reported the past 4 years. There are 40 rate classes.

- Tax Rate Notices are calculated and mailed annually in December.

- Request review of tax rates email **UIFILES@ESD.WA.GOV**.
Basic overview of the UI Tax Experience Rates

**BENEFIT CHARGES**

- Benefit Charging Notice: Notifies you that you could be charged & states details of claims.
- Quarterly statement of benefit charges.
- Request relief of charges email **UIFILES@ESD.WA.GOV**.
- Reasons for granting relief of Benefit Charges:
  - Voluntary quit
  - Discharged for misconduct
  - Catastrophe
  - Etc.

For specific questions regarding Relief of Benefit Charges, please reach out to our Rates unit:
- 855-829-9243
- ESDexperiencerating@esd.wa.gov
Standard Occupational Classification (SOC) Code

What is it?
- Standard Occupational Classification (SOC) is a federal coding system used to identify occupations and workers.
- Data is used to analyze workforce demand and evaluate the effectiveness of training programs.

History
- Stemmed from the recommendation by Future of Work Task Force in 2019
- Washington State House Bill 2308 – SOC codes implemented into quarterly tax report
- In addition, Washington is following in the footsteps of other states, including Alaska and Indiana.
Starting in Nov. 2021 through third quarter 2022:
- All EAMS Single Filer users can look up and provide SOC codes.
- Use the new SOC lookup tool to find the most accurate codes for each of your employees (onetonline.org). A link to this page is available on our website. https://esd.wa.gov/employer-taxes/about-soc

When is SOC required?

If you have any questions about how to report SOC codes, just email us at socreporting@esd.wa.gov or call us at 855-829-9243 option 6.
Paid Family and Medical Leave is a new benefit for Washington workers. It’s here for you when a serious health condition prevents you from working or when you need time to care for a family member, bond with a new child or spend time with a family member preparing for military service overseas.

- PFML is a different program from Quarterly Unemployment Insurance.
- A Separate quarterly PFML report must be filed.
- For more information, please see paidleave.wa.gov or call (833) 717-2273!
Meredith Cole – Tax Accounting/Rates Supervisor
  ▪ 360-890-3585
  ▪ meredith.cole@esd.wa.gov
Benefit charging/tax rate review requests
  ▪ 855-829-9243 – option 3
Account Management Center – General Questions
  ▪ 855-829-9243
  ▪ olympiaAMC@esd.wa.gov
Denice Craig – UICS Employer Services Manager
  ▪ 360-890-3650
  ▪ denice.craig@esd.wa.gov
Open Mic – Q&A
Upcoming events

Resources for Washington businesses
Gain important insights about SharedWork and the Labor Market Economic Analysis (LMEA) for a competitive workforce advantage!

Wednesday, August 10, 2022
12:00 PM - 1:00 PM
SharedWork and Labor Market Economic Analysis (LMEA)
Thank you!