

Important Information Regarding Your UI Tax Forms



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Important Information Regarding Your UI Tax Forms

Unemployment Insurance payments are taxable. If you were paid unemployment insurance benefits in 2018, you will receive a 1099G form for your tax filing. The Department will mail your 1099G no later than January 31, 2019 as required by law.

Once the 1099G has been issued and mailed, you will see this information in Claimant Portal on your Welcome screen. This information is also available by calling 800-983-2300 and selecting option 5.

If you changed your mailing address after you were paid your last unemployment insurance payment, you must submit a written address change request to the Claims Center in order to have your 1099G mailed to your correct address. These documents are not forwarded by the Post Office.

Address forms are accessible on the Department's website at:
<http://labor.vermont.gov/wordpress/wp-content/uploads/B-2-Claimant-Change-of-Name-Addr.pdf>.

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New Vermont JobLink User Requirements

Soon Vermont JobLink will require a working email address to uniquely identify you with your account for security purposes. You will also be able to use your email address to reset your password and opt into notifications that will enhance your job search.

Please prepare for these upcoming changes by reviewing your contact information now. Click **My Profile** in your main menu, then click **Edit Contact Information**. If you have already provided an email address, please ensure you can access it and that it is not shared with any other Vermont JobLink users (such as a spouse or other family member). If you have not provided an email address, please do so. After making any changes, click **Save** on the Contact Information page.

If you need to set up an email account, here are the links to a few of the free email providers:

[Gmail](#)

[Outlook](#)

[LYCOS Mail](#)

[mail.com](#)

[YAHOO!](#)

FAQ Coding Error

FOR IMMEDIATE CONTACT:
Lindsay Kurrle, Commissioner
802-828-4301

Vermont Department of Labor Identifies Decade-Old Coding Error That Resulted in Interest Overpayments and Implements Plan to Reimburse Vermont Businesses, Correct Error

Montpelier, VT – The Vermont Department of Labor is taking swift action to address an error that impacts Vermont employers who hold past due balances for unemployment insurance and health care assessments. The Department is undertaking an effort to modernize and innovate its legacy unemployment insurance system, and this month that process revealed - and the Department promptly verified – a rounding error was coded improperly into the 30-year old system. This rounding error affected only the interest rate calculations on past due unemployment insurance and health care fund assessment contributions. As of June 1, 2017, the rate is being calculated correctly.

“The Department of Labor is committed to ensuring that anyone impacted by this error is made whole, and I have directed my team to begin proactively working to identify impacted entities and make refunds for verified overpayments as quickly as possible.” Lindsay Kurrle, Commissioner of Labor.

The rounding error was limited to calculations for businesses who have carried a past due balance for unemployment insurance and health care fund assessment contributions. No other entities, individuals or programs were impacted.

Vermont law requires the Department of Labor to charge 1.5 percent interest per month on unpaid contributions. The rounding error equated to a .05 percent overcharge for only the months that contain thirty-one days. As an illustration, an employer with a past due balance of \$1,000 for an entire year, would have overpaid by \$2.50. The Department has verified that the coding error existed as far back as 2008. Since that date Department has collected approximately \$26,000 in total interest overpayments.

The Vermont Department of Labor will begin notifying impacted employers and working to issue refunds for accounts that its verified have paid past due balances within the last three years. Records retention limits the Department’s ability to verify overpayments prior to 2014, so the Department is asking employers with paid past due balances before 2014 to call the Vermont Department of Labor’s Employer Assistance Line at 1-877-214-3331.

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FREQUENTLY ASKED QUESTIONS Regarding Coding Error

How was this calculation error found?

The Department is in a consortium agreement with the State of Idaho for the modernization of our UI system. The Department's staff meets daily with staff in Idaho and were reviewing the interest calculations for integration into the new system. The team suspected that the interest calculations were off.

How was the rounding error made?

The rounding error was a manual error, and not an error made by the computer.

Why was the error also applied to unpaid health care assessment balances?

The Department is required to apply the same interest to unpaid health care assessment balances as they are to unpaid unemployment insurance contributions (21 VSA §2001-2004).

How long is the UI Division of the Department of Labor required to keep records?

State statute does not allow the Department to initiate the collection of contributions more than three years after the date on which they become due (21 VSA §1329(e)). The Department maintains records for three years after the close of the program year.

Will the UI Trust Fund be impacted by repayment?

The UI trust fund will not be impacted by repayments.

How long has the calculation error been in place?

The Department can verify that it goes back to 2008, but the statute/interest amount was changed in 1987. We cannot verify that the rounding error goes back further than 2008.

Why doesn't the Department have record of all payments made by employers?

On a quarterly basis, the Department purges data of inactive accounts. The legacy system cannot hold enough data to keep all records.

What records does the Department currently have?

The Department keeps records of employers who hold an outstanding balance, they do not keep all records of employers who have had balances but have paid them off.

How much in interest overpayment has been collected by the Department?

The Department estimates that approximately \$26,000 in interest overpayment has been collected over the past nine years.

When will the calculation error be corrected?

As of June 1, 2017, the calculation error was corrected. This is because June only has 30 days. The Department will be correcting the calculation going forward starting July 1.

How is the Department going to make employers whole?

This is likely going to be a manual process, and will require a large amount of staff time. Employers who have paid past due balances in the last three years will automatically receive a refund.

For employers who have paid off past due balances prior to 2014, please call our Employer Services Assistance Line so we can determine if supporting documentation is required.

Is there a statute of limitations to request or receive a refund?

The Department won't be imposing a deadline; however, older requests will be harder to reconcile, and will require businesses to provide supporting documentation.

If you have a claim prior to year 2014, and are unable to provide supporting documentation, the Department may be unable to reconcile any potential over payment.

How many employers have outstanding unpaid unemployment contribution balances?

The Department currently has 3,000+ outstanding accounts this month.

Electronic Filing For Employers

Attention Vermont Employers

ALL employers are required to file their quarterly Unemployment Insurance Wage and Contribution Reports electronically.

Employers reporting 0 to 250 employees:

- The electronic Vermont Internet Tax and Wage System (VITWS) can be accessed by selecting "Employer Online Services" on the home page, then selecting "File Your Quarterly Reports & Taxable Wage Base Information".
- New employers will be mailed a temporary password. When the temporary password is received, log onto the Vermont Internet Tax and Wage System (VITWS) to create your own custom password for quarterly filing. Please retain your newly established password for safe keeping, as this will be your permanent password for all future filings.
- If you need to reset your password, please call the Employer Service Unit at 802-828-4344.

Employers reporting more than 250 employees:

- Must utilize the Large Employer Reporting System.
- If you are not registered, please find the [specifications and application \(C-29A\)](#) at www.labor.vermont.gov, under "Forms", "Employer Forms". Please complete the form and return to the Employer Services Unit at P.O. Box 488, Montpelier, VT 05601 or Labor-UIandWagesDivision@vermont.gov.

A penalty assessment of \$100.00 will be charged to employers

who fail to file electronically.

2013 UI News

- [Critical Information for UI Employers \[PDF\]](#)
 - [Critical Information for UI Employers Regarding SUTA Disaster Relief \[PDF\]](#)
 - [2013 1st Quarter C-101 Bulletin \[PDF\]](#)
 - [2013 2nd Quarter C-101 Bulletin \[PDF\]](#)
 - [2013 3rd Quarter C-101 Bulletin \[PDF\]](#)
 - [2013 4th Quarter C-101 Bulletin \[PDF\]](#)
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2012 Press Releases

- [Hurricane Sandy \[PDF\]](#)
- [FUTA Credit Reduction \[PDF\]](#)