



2016 Payroll Fact Sheet

❖ *News from the Michigan Unemployment Insurance Agency*

Notice of Determination of Employer Charging

New Form, New Process

In January of 2016, the agency mailed a new determination to employers--Form UIA 6367, *Notice of Determination of Employer Charging*. The UIA uses this form to notify employers that they have the potential to be charged for any claims for which they do not provide adequate or timely information in the calendar year.

State law provides that if an employer or employer's agent has demonstrated a pattern of failing to timely or adequately respond to Agency requests for information, benefits paid to a claimant will be charged to the employer's account.

State law defines what constitutes a "pattern" in this context (See [MCL 421.20\(a\)](#)). In order to determine a pattern, the agency establishes a "baseline" of data to ensure that an employer's failure to timely or adequately respond meets the requirements provided in state law. Consistent with the statute, the Agency gathers, tracks, and analyzes the response data every year to determine, on an annual basis, which employers will be charged.

The Form UIA 6367, Notice of Determination of Employer Charging, contains the information necessary for the employer to protest if they believe they were timely and designated in error (the same protest rights as other agency determinations would apply). The notice includes the cases upon which the notice was based, and the criteria applied. Having established a pattern does not automatically indicate the employer will be charged; the provision is only applied if the employer has established a pattern AND is not timely or adequate in responding on the current claim.

Always Respond to Requests for Information

Even if you do not wish to contest a claim, it is important to always respond to a request for information from the UIA. For example, if a former employee was separated due to a voluntary quit for personal reasons, you may have had a past practice of not responding to the UIA. However, failing to respond is counted as an untimely or inadequate response and will impact the annual evaluation.

Taxable Wage Base News

As you may know, in the third quarter of 2015, the Taxable Wage Base (TWB) - the maximum annual wage on which an employer must pay unemployment taxes – was lowered from \$9,500 to \$9,000 for the 2016 calendar year for employers who were not delinquent in the payment of unemployment contributions, penalties or interest.

Next week, employers who have an outstanding balance and/or have not filed an Employer's Quarterly Wage/Tax Report will be mailed Form UIA 6354, *Notice of Continuation of \$9,500 Wage Base*. This form advises employers that a delinquency exists on their UIA account and therefore, they are not eligible for the taxable wage base reduction for calendar year 2016.

However, you can qualify for the reduced taxable wage base if you file all missing reports and pay delinquent taxes, penalties and interest within 14 days of the mail date on the letter.

To submit a payment, it is recommended to do so electronically, through the Michigan Web Account Manager (MIWAM) at michigan.gov/uia. If paying by check, please print your UIA employer number on your check and make payable to: State of Michigan – UIA. Include Form UIA 4101, *Employers Quarterly Tax Payment Coupon* which can be found online at michigan.gov/uia under Employer Forms.

If you have any questions, contact the UIA's Office of Employer Ombudsman (OEO) at OEO@michigan.gov or at 1-855-4UIAOEO (855-484-2636). TTY customers may call 1-866-0004.