



*PSVOA-sponsored legislation changing Washington unemployment law goes into effect on **July 28, 2013**. Under the new law, fishing vessel crew wages are exempt from Washington unemployment tax.*

Does this new law apply to my business?

- * The law applies to Washington based fishing vessel owners/employers for wages paid to crew members if the wages are based on a share of the vessel's catch, and if the vessel's crew is normally comprised of fewer than 10 individuals.

How does the law affect my business?

- * You will no longer be required to pay taxes for Unemployment Insurance ("UI") coverage on crew wages, regardless of where your vessel operates.

What if I want to continue UI coverage for my crew?

- * Even if you have been paying unemployment taxes in 2013, the new law ends the UI coverage effective July 28, so you must apply with the Employment Security Department ("ESD") if you wish to continue coverage. To apply, you will need to submit a "Voluntary Election for Unemployment Insurance Coverage" form to the ESD at least 30 days before the end of the quarter in which you wish to begin coverage. A copy of the form is attached and instructions on how to fill it out and where to send it are included on the form itself.

Can I apply for UI coverage for only some of my crew?

- * No, if you elect for coverage, *all* of your crew members' wages will be subject to WA unemployment tax.

What if I applied for UI coverage for my crew, but decide to terminate coverage in the future?

- * If you apply for coverage, you are required to be covered for two full calendar years after you begin coverage. You may terminate coverage effective January 1st of any year after the two-calendar year period, but you need to send a letter of termination to the ESD by January 15 of the year in which you wish to terminate coverage. In the letter, you should include your UBI number and advise that you wish to opt out of UI coverage. It should be mailed to:

Employment Security Department
UI Tax and Wage Administration/Status
P.O. Box 9046
Olympia, WA 98507-9046

VOLUNTARY ELECTION FOR UNEMPLOYMENT INSURANCE COVERAGE

Use this form to request voluntary unemployment insurance coverage if your business is currently exempt from coverage or if you have employees who are exempt from coverage.

Please complete and return this form to: Employment Security Department
UI Tax and Wage Administration/Status
P.O. Box 9046
Olympia, WA 98507-9046

This agreement to elect unemployment insurance coverage becomes binding if we approve it. If it is approved, we will send you a signed copy. Do not report the personnel stated below until you have received authorization from us. If we do not approve your application, we will notify you. **The Washington Administrative Code (WAC) lists reasons why voluntary coverage may not be approved and why it may be cancelled after it is approved (see reverse or next page).**

Please answer completely each of the following questions:

1. Business name: _____
2. Mailing address: _____
3. If you are already registered with the Employment Security Department, please provide your Employment Security (ES) Reference No. _____, or Unified Business Identifier (UBI) No. _____.

4. Show the type(s) of non-covered employment below in which your business presently employs workers you want covered. Also show the total number of workers in that type of employment.

| Type(s) of employment to be covered (<i>check one or specify</i>) | No. employed |
|---|--------------|
| <input type="checkbox"/> Corporate officers _____ | _____ |
| <input type="checkbox"/> All individuals _____ | _____ |
| <input type="checkbox"/> Distinct class of individuals _____ | _____ |
| <input type="checkbox"/> Other (<i>specify</i>) _____ | _____ |

5. Proposed effective date for coverage: _____.
6. _____ (name of business), voluntarily elects to cover the workers indicated who would not otherwise be covered for unemployment insurance. I request written approval of coverage under RCW 50.24.160. I am a corporate officer or business owner and am authorized to represent the business.

| | |
|--|-----------------------|
| _____ | _____ |
| (Signature of corporate officer or business owner) | (Business phone) |
| _____ | _____ |
| (Title) | (Date of application) |

7. This application MUST be signed by a corporate officer or business owner. Voluntary coverage is effective until terminated by you or cancelled by us. A request for termination by the employer must be in writing and postmarked by January 15, immediately following the end of the last year of desired coverage. In the event that your taxes become delinquent, we reserve the right to cancel your voluntary coverage. **Coverage must remain in effect for a minimum of two calendar years.**

Approved by the Commissioner of Washington Employment Security Department effective _____.

| | |
|--------------------|---|
| _____ | _____ |
| (Date of approval) | (Authorized representative of the commissioner) |

(See reverse or next page)

PLEASE LIST ALL INDIVIDUALS TO BE COVERED FOR UNEMPLOYMENT INSURANCE

| Last name | First name | Initial | Social security number | Title or classification |
|-----------|------------|---------|------------------------|-------------------------|
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WAC 192-300-170 Requirements for election of unemployment insurance coverage.

(3) The department reserves the right to disapprove a request for coverage because:

- (a) The applicant is not liable for federal unemployment taxes (FUTA);
- (b) The occupation or industry is seasonal; or
- (c) Other reasons apply.

(4) The department reserves the right to cancel unemployment insurance coverage for a voluntary election employer because:

- (a) Of nonpayment of unemployment insurance taxes or failure to file an unemployment insurance tax and wage report;
- (b) Of misrepresentation of facts;
- (c) Coverage is not used for involuntary unemployment as outlined in RCW 50.01.010; or
- (d) Other reasons apply.

If you have any questions, contact the Status Unit at 360-902-9360 or status@esd.wa.gov.