



## Unemployment Contributions Quarterly Report (Form ME UC-1) 2020

Use the forms in this booklet to report unemployment contributions and Competitive Skills Scholarship Program assessments.

**Form ME UC-1 QUARTERLY REPORT OF UNEMPLOYMENT CONTRIBUTIONS** must be filed by all employers registered to remit unemployment contributions. The form is used to calculate unemployment contributions for the quarter, to report employee wage information for the quarter and to make payment for any balance due for unemployment contributions and the Competitive Skills Scholarship Fund (CSSF). The quarterly report is due the last day of the month that follows the end of each calendar quarter.

**These forms are processed by Maine Revenue Services (MRS) for the Maine Department of Labor (MDOL).**

For questions on filing unemployment contributions reports electronically, call 207-621-5120 or 844-754-3508 or email [division.uctax@maine.gov](mailto:division.uctax@maine.gov).

### IMPORTANT

Maine income tax withholding forms (Form 941ME) and related payments must be submitted separately from Maine Unemployment Contributions forms (Form ME UC-1) and related payments. Although the forms and payments will be separate, employers and payroll processors must submit both forms and payments to MRS for processing.

For additional filing information, visit the MRS website at [www.maine.gov/revenue](http://www.maine.gov/revenue). If you have any questions, please contact the MRS Withholding Unit by email at [withholding.tax@maine.gov](mailto:withholding.tax@maine.gov) or by phone at (207) 626-8475, press 1, then select option 4.

For more information about unemployment contributions, automated services, and advice on lowering your experience rating, <http://www.maine.gov/labor/unemployment/tax.shtml>

Maine's online system, ReEmployME is designed to help employers file unemployment insurance wage reports and pay unemployment insurance taxes electronically. Easier, safer and faster than snail mail, the customized system will offer immediate account accessibility and streamlined business processing with the capability to:

- Register for an Unemployment Contribution Account
- File Unemployment Contribution Quarterly Reports
- Access account and rate history
- Perform a variety of account maintenance activities in real time
- Register as an employer or agent
- File a Benefits decision appeal

If you have received a determination from the Bureau of Unemployment Compensation, Tax division indicating that you have been determined a seasonal employer, you have been assigned two Employer Account Numbers (EANs). Seasonal and Non-seasonal wages must be reported on separate Quarterly Tax and Wage Reports. The tax rate for both accounts will be the same.

Businesses are required to file "Quarterly Tax and Wage Reports" **for each quarter for each account**, using the Seasonal EAN to report wages designated as seasonal and the Non-Seasonal EAN to report wages designated as non-seasonal. Seasonal businesses must file reports indicating zero wages for quarters in which they have no activity under both the Seasonal and Non-Seasonal EAN.

#### **BUSINESS CHANGE NOTIFICATION**

If there has been a change to the business name, address or telephone number or if the business has terminated, complete the Business Change Notification <http://www.maine.gov/labor/unemployment/publications/taxpublications.shtml>. **Do not make changes on Form ME UC-1.**

#### **NEW HIRE REPORTING REQUIREMENTS**

Maine employers are required by law to report certain information to the Department of Health and Human Services ("DHHS") within seven days of the date an employee is newly hired, rehired or terminated. Employers are also required to report the hiring of an independent contractor when reimbursement is anticipated to equal or exceed \$2,500. Employers must report the employee's full name, address, Social Security Number (SSN), date of birth and date of hire, rehire or termination, the most recent date that services for remuneration were first performed, as well as the employer's name, address, telephone number, UC Employer Account Number and Federal Employers Identification Number (FEIN). If reporting the hiring of an independent contractor, the report must also include the date a contract is executed (or, if no contract, the date payments equal or exceed \$2,500), the total dollar amount of the contract (if any), and the expiration date of the contract (if any).

The required New Hire information may be reported in the following ways, but note that submission via the internet web portal is preferred:

- **Internet:** New Hire Portal: <https://portal.maine.gov/newhire>
- **FAX:** A New Hire Report Form to (207) 287-6882 (local call) or the toll-free number, 1-800-437-9611 (in-state only). Obtain a New Hire Report Form either by calling (207) 624-4112 or downloading it from the web site at [www.maine.gov/dhhs/ofj/dser/employer/index.html](http://www.maine.gov/dhhs/ofj/dser/employer/index.html)
- **Regular mail:** Mail your report to:
  - Division of Support Enforcement and Recovery
  - New Hire Reporting Program
  - 11 State House Station, Augusta, ME 04333-0011
- **Voice recognition telephone:** This system is available 24 hours a day, 7 days a week. Call (207) 624-7880 or the toll-free number 1-800-845-5808 (in-state only).

### GENERAL INSTRUCTIONS

**Wage Base** — For tax year **2020**, employers pay unemployment contributions on the first **\$12,000** of each employee’s gross earnings.

**Experience rating system and tax rates** — Each employer’s contribution rate is determined using the Maine Department of Labor’s (“MDOL”) “experience rating” system. The employer’s experience rate is determined through multiple factors over time. The rate may be higher or lower than the average employer rate. The rate reflects an employer’s history of average taxable wages, contributions paid and benefits charged.

**Technical explanation of tax rates** — Every year, the Reserve Ratio is recalculated for each employer. This recalculation may or may not result in a rate change. All employers are then **arrayed** into a list in descending order by their Reserve Ratios. They are divided into 20 categories with approximately the same amount of taxable wages in each category. that is payable by employers in that category.

The planned yield is determined from a set of formulas. It is the percentage of total (taxable) wages necessary to generate the desired amount of revenue. The **planned yield** for **2019** is set at 0.6%.

The predetermined yield, or average contribution rate, is then computed. It is the average contribution rate needed to generate the desired amount of revenue for the amount of taxable wages.

The contribution rates for the 20 categories are computed by multiplying the **predetermined yield** by the **experience factors** for each category.

The lowest contribution rate for 2020 is 0.0%, the highest is 5.40% and the new **employer rate** for 2020 is 1.86%. For more information, go to the Maine Department of Labor website at [www.maine.gov/labor/for\\_employers](http://www.maine.gov/labor/for_employers). Reports must be completed and filed with Maine Revenue Services each quarter according to the following schedule:

Quarter	Period Covered	Due Date
Quarter 1.....	01-01 to 03-31.....	04-30
Quarter 2.....	04-01 to 06-30.....	07-31
Quarter 3.....	07-01 to 09-30.....	10-31
Quarter 4.....	10-01 to 12-31.....	01-31

**Note:** A report must be filed each quarter, even if you had no unemployment contributions or paid no wages for that period. Each page submitted must have your UC Employer Account Number clearly printed at or near the top of the page. Do not write notes on wage listing pages.

When using a paid preparer or payroll processor, enter their FEIN and Maine payroll processor license number in the designated fields.

If you have questions regarding unemployment insurance status, determination of contribution rates or general unemployment insurance information, call the Maine Department of Labor at (207) 621-5120, or (844) 754-3508.

**Interest and Penalties.** Beginning January 1, 2020, the interest rate is 7% per annum, compounded monthly. The penalty for failure to pay unemployment contributions on time is 1% per month up to a maximum of 25% of contributions due. The penalty for failure to file a report on time is 10% of the tax liability or \$25, whichever is greater. If the report is filed more than 60 days after demand, the penalty is the greater of \$25 or 25% of the amount due.

**Do not staple or tape forms together. Photocopied forms cannot be processed by the Maine Revenue scanning system. If you need additional wage listing pages, visit [www.maine.gov/labor](http://www.maine.gov/labor) or call the Tax Division of the Bureau of Unemployment Compensation at 207-621-5120 or toll free 844-754-3508.**

**SPECIFIC INSTRUCTIONS FOR FORM UC-1**

**Lines 1 and 2.** Failure to complete lines 1 and 2 will result in additional paperwork for you to complete.

**Line 1.** Enter, for each month, the total of all full-time and part-time workers who worked, or received pay reportable for unemployment contributions purposes, during the payroll period which includes the 12th of each month. If you had no employment in the payroll period, enter zero (0).

**Line 2.** Enter the number of female workers who worked or received pay reportable for unemployment contributions purposes during the payroll period and are included in the totals on line 1.

**Line 3.** Complete Schedule 2 (see instructions below). Enter on this line the total Unemployment Contributions Gross Wages Paid this quarter. This amount should equal Schedule 2, line 15. If there are no wages, enter zero (\$0.00). An amount for wages or zero (\$0.00) must be entered on this line.

**Line 4.** Enter the sum of the amount of each individual’s wages paid in this quarter which is in excess of \$12,000 for the year. For example, the wages of an employee paid \$5,000 in each quarter would be reported as follows (this is an example):

	<b>Total</b>	<b>Excess</b>	<b>Taxable</b>
Quarter 1.....	\$5000.00.....	\$ .00.....	\$5000.00
Quarter 2.....	\$5000.00.....	\$ .00.....	\$5000.00
Quarter 3.....	\$5000.00.....	\$3000.00.....	\$2000.00
Quarter 4.....	\$5000.00.....	\$5000.00.....	\$00

**Line 5.** Subtract the excess wages on line 4 from the total gross reportable wages on line 3 to determine taxable wages. **Note:** Excess wages cannot be greater than total reportable wages.

**Line 6.** Enter your UC rate on this line. To offset the cost of the CSSF assessment (see Line 7a below), the UC rate for each employer is reduced by an amount equal to the CSSF rate.

**Line 7a. Competitive Skills Scholarship Fund Assessment.** The Competitive Skills Scholarship Fund (“CSSF”) program is coordinated by the Department of Labor’s CareerCenters to provide training to unemployed and underemployed low-income Maine workers. The program is intended to address the growing skill gap in the workforce and to help businesses get the trained workers they need. The program is funded by an assessment of .06% of taxable wages reported on line 5. *Direct Reimbursable employers are not subject to this assessment. If you are a Direct Reimbursable employer, enter “0” on this line.*

**Line 8.** Add lines 6b and 7b for total contributions due.

## SCHEDULE 2 INSTRUCTIONS

### Quarterly Unemployment Contributions Wages Listing

**All filers who paid reportable wages during the quarter must complete Schedule 2 – Quarterly Unemployment Contributions Wages Listing.**

Use as many pages as necessary to report all wages during the quarter. Complete all information for each Schedule 2 page submitted. If you need additional forms call (207) 624-7894.

**Column 11.** Enter each employee’s last name, first name, and middle initial.

**Column 12.** Type or print each employee’s full SSN. All nine digits must be entered. **Do not leave the SSN line blank; a SSN must be entered for each employee.**

**Column 13.** Enter the amount of UC Gross Wages Paid during the quarter covered by this report. As noted above seasonal wages must be reported on a separate UC-1. **Do not report partners’ or sole proprietor’s wages or wages paid by a sole proprietor to a spouse, parent, or child under age 18.**

**Line 14.** Enter the total amount of column 13 (UC Gross Wages Paid) for this page.

**Line 15. On the last Schedule 2 page only,** enter the total UC Gross Wages Paid for line 14 of all pages. Enter this amount on Form ME UC-1, line 3.

### AMENDED REPORTS

If you made an error on a previously filed report, you must file an amended report with the Maine Department of Labor.

To file an amended report online, go to [www.maine.gov/reemployme](http://www.maine.gov/reemployme), login or create a user ID (You must be registered to use ReEmployME), Select Tax & Wage Report, and Adjust Tax & Wage Report.

### ELECTRONIC FILING OPTIONS

Quarterly Reports may be filed online by using ReEmployME. Once you register for a portal account, go to [www.maine.gov/reemployme](http://www.maine.gov/reemployme), Select Tax Wage Report > File Tax & Wage Report. Once you’ve entered employee data, the system will store this data for the next quarter.

You can upload employee wage data from a spreadsheet. Click Method B and Select “Excel” from the File Format from dropdown, Click Upload, then Browse to select the file from your computer. Once file is uploaded successfully, click Submit.

ReEmployME also allows employers to file multiple quarterly reports with a single login. Employers using software capable of producing a file that conforms to MDOL specifications may upload that file directly into ReEmployME. File specifications and instructions are available to view or download from the website at [www.maine.gov/labor/unemployment/publications/taxpublications.shtml](http://www.maine.gov/labor/unemployment/publications/taxpublications.shtml).

If you require assistance please contact a representative at (207) 621-5120. For more information, go to [www.maine.gov/labor](http://www.maine.gov/labor).

## **PAYMENT OPTIONS**

You can make an online payment in the ReEmployME application by logging in, selecting Online Payment and entering checking or savings account information.

**ACH Credit.** An employer may make payments using this method by authorizing their bank to withdraw the payment from the employer's deposit account and transfer it to the State's account. You must have previously established a relationship with a bank that provides this service (generally larger commercial banks) and you must have previously registered with MDOL as a credit method payer. For an application to make ACH Credit payments go to [www.maine.gov/labor/unemployment/publications/taxpublications.shtml](http://www.maine.gov/labor/unemployment/publications/taxpublications.shtml).

**Penalty for Insufficient Funds.** The penalty for insufficient funds applies to electronic funds transfers. The penalty is \$20 or 1% of the payment amount, whichever is greater.

For more information or to obtain an application, visit [www.maine.gov/labor](http://www.maine.gov/labor); send an email to [division.uctax@maine.gov](mailto:division.uctax@maine.gov); send a fax to (207) 287-3733; call (207) 621-5120; or write to: Maine Department of Labor, Bureau of Unemployment Compensation, Division of Employer Services, 47 State House Station, Augusta, ME 04330-0047.