



QUESTIONS MOST ASKED BY REIMBURSING EMPLOYERS

- How to change payment status
- How billing works
- What governmental services are excluded?
- Are religious-based organizations exempt?



HOW TO CHANGE PAYMENT STATUS

- Change must be made effective at the start of a calendar year.
- Written request must be received no later than December 2 before the year of the change.
- A change to reimbursing must remain in effect for at least 2 years.



HOW TO CHANGE PAYMENT STATUS

- A request from a non-profit must include a copy of the IRS 501(c)(3) designation letter.
- There must be no missing quarterly reports on the account.
- The account must be paid up-to-date.



HOW TO CHANGE PAYMENT STATUS

- Non-profit or Indian Tribe/Tribal Unit must post security if annual payroll is \$100,000 or more.
- New MI *Business Taxes Registration Form* may be required if information on file is more than 10 years old.
- Any negative-reserve balance on contributing account must be paid off.



HOW TO CHANGE PAYMENT STATUS

- Any benefit charges to the contributing account after the conversion are moved to the reimbursing account.



HOW TO CHANGE PAYMENT STATUS

- When a Reimbursing employer converts to contributing, the process is the same, except that no new 501(c)(3) designation letter is needed.
- The employer must have been reimbursing for at least 2 years before converting to contributing.



HOW BILLING WORKS

- When a claim for unemployment benefits is filed, a MONETARY DETERMINATION is issued to the employer.
- Forms UIA 1136, *Weekly Summary Statement of Charges and Credits*, are issued.
- Form UIA 1770, *Quarterly Summary Statement of Charges and Credits*, is issued.

HOW BILLING WORKS

UIA 1770
(Rev. 3/04)



State of Michigan
Department of Labor & Economic Growth
Unemployment Insurance Agency
www.michigan.gov/uia

Authorized by
MCL 421.1, et seq.



**SUMMARY OF STATEMENT OF BENEFITS CHARGES AND CREDITS
CALENDAR QUARTER ENDING 9/30/1999**

10705

Trust Fund Accounting
55555 Some Avenue
City, State 48708-8026

MAIL DATE: 01/05/1999

UIA Employer Account No.: 0000000 000

Operating Unit Number: 019 889 00

Employer Name: Trust Fund Accounting

Unemployed Worker SSN	Unemployed Worker Name	BO NBR	Number of Items	TOTAL
333-33-3333	Chur Robe	01	01	201.00
333-33-3333	Chur Robe	01	01	201.00
TOTAL FOR OPERATING UNIT 0199889 000			01	201.00
FOR QUARTER ENDING 09/30/1999				

FORM UIA 1770 *SUMMARY OF STATEMENT OF BENEFIT CHARGES AND CREDITS*

THIS IS NOT A REQUEST FOR PAYMENT - SEE IMPORTANT INFORMATION ON REVERSE SIDE
DLEG is an Equal Opportunity Employer and complies with the Americans with Disabilities Act.



HOW BILLING WORKS

- Form UIA 1763, *Reimbursing Employer's Billing for Benefit Charges*, is issued.



HOW BILLING WORKS

- Non-profits and state agencies are billed quarterly. Non-profits have 30 days to pay; state agencies have 60 days to pay.
- Governmental entities (other than the state) and Indian Tribes/Tribal Units are billed annually. The bill is based on charges incurred in the prior calendar year. Date of billing is based on the entity's fiscal year date . They have 30 days to pay.



HOW BILLING WORKS

- Payment must be made when due, but the payment may be made “under protest” if there is a question about the appropriateness of the charge.
- A late payment is subject to interest, calculated daily, at 1% per month.



HOW BILLING WORKS

- A \$10.00 penalty is assessed for late filing of Form UIA 1020-R, *Reimbursing Employer's Quarterly Payroll Report*.
- A \$25.00 penalty is assessed for late filing of Form UIA 1017, *Wage Detail Report*.

HOW BILLING WORKS

UIA 1020-R
(Rev. 9-05)



State of Michigan
DEPARTMENT OF LABOR & ECONOMIC GROWTH
UNEMPLOYMENT INSURANCE AGENCY
Tax Office - Suite 11-500
3024 W. Grand Boulevard • Detroit, Michigan 48202
www.michigan.gov/uia



Authorized by
MCL 421.1, et seq.

REIMBURSING EMPLOYER'S QUARTERLY PAYROLL REPORT

Employer Name & Address

Mail To:

Unemployment Insurance Agency
Tax Office
PO Box 33598
Detroit, MI 48232-5598

DO NOT MAKE ADDRESS CORRECTIONS ON THIS FORM.

If the pre-printed address is not correct, please call 1-800-638-3994 (in Michigan) or 313-456-2180 to obtain Form UIA 1025, *Employer Request for Address/Name Change*.

INSTRUCTIONS: This report is due on the 25th of the month following the end of the calendar quarter. See reverse side for detailed instructions.

To ensure proper processing of this report, type/print characters in ink within the boxes as shown.	0	1	2	3	4	5	6	7	8	9
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1. UIA Account Number

2. Federal Emp. I.D. Number -

3. Quarter Ending Date / /

4. Gross Wages \$

5. Provide the number of all full-time and part-time workers who worked during, or received pay for the pay period, which includes the 12th of the month

1 st Month	<input type="text"/>								
2 nd Month	<input type="text"/>								
3 rd Month	<input type="text"/>								

YOUR CERTIFICATION: I declare that I have examined this report, and to the best of my knowledge and belief, it is true, correct and complete.

Signature: Date:

Title: Telephone -

MAKE A COPY FOR YOUR RECORDS

For UIA Use Only. Do Not Write Below Line.

FORM UIA 1020-R *REIMBURSING EMPLOYER'S QUARTERLY PAYROLL REPORT*



WHAT GOVERNMENTAL SERVICES ARE EXCLUDED?

- Elected official
- Legislator
- Judge
- Volunteer Firefighter/Emergency Worker
- Appointed position that is major, non-tenured, and policy-making or advisory.



WHAT GOVERNMENTAL SERVICES ARE EXCLUDED?

- Participant in work-relief or work-training program
- Inmate of penal institution
- Youth working in summer employment program
- Americorps participant who worked under contract for guaranteed stipend and received full stipend

ARE RELIGIOUS-BASED ORGANIZATIONS EXEMPT?

- The only exempt non-profit employers are churches or religious-based organizations
- A “church” is usually determined based on the coding on the IRS 501(c)(3) designation letter. The code is: *170(b)(1)(A)(i)*
- Absent the code, Form UIA 1007, *Exemption Questionnaire for Religious-Based Organizations*, must be completed.



ARE RELIGIOUS-BASED ORGANIZATIONS EXEMPT?

Churches and other verified religious-based organizations have 4 options:

- ✓ Be exempt from coverage
- ✓ Elect reimbursing coverage (provide 501(c)(3) letter and security, if needed)
- ✓ Elect contributing coverage
- ✓ Resume exempt status after electing coverage

For More Information

Contact the Reimbursing Unit

(313) 456-2085

ReimbursingUnit@michigan.gov