

# INSTRUCTIONS FOR THE MARYLAND QUARTERLY UNEMPLOYMENT INSURANCE CONTRIBUTION/EMPLOYMENT REPORT

## WHAT IS REQUIRED?

Each quarter, an employer must do the following:

1. Report its covered employees and the wages paid to each employee during the quarter on an Employment Report. Include all employees who were paid wages, even if wages were paid in excess of the \$8,500 taxable wage base.
2. Indicate the total amount of wages paid and compute unemployment insurance taxes due on a Contribution Report.
3. Submit the Contribution/Employment Report plus the appropriate payment by the due date (see Box 5 on the Contribution Report). Reports are due on the next business day following a due date if the due date falls on a Saturday or Sunday.

Notes: 1. The Contribution/Employment Report is due even if an employer paid no wages in a quarter. This filing requirement ends when the Maryland Division of Unemployment Insurance issues a letter to verify the account is closed.

2. Wage information and other confidential unemployment insurance information may be requested and utilized for other governmental purposes, including, but not limited to, verification of an individual's eligibility for other government programs.

## PENALTIES:

1. A \$35 penalty is charged for each failure to file a contribution or employment report by the last day of the month immediately following the end of the quarter and for filing on paper forms not approved by the Division of Unemployment Insurance.
2. Late payments bear interest at the rate of 1.5% per month.
3. Employers are subject to a \$25 fine for every check returned by the bank.
4. A fine of up to \$1,000 or imprisonment up to 90 days, or both, on any person who willfully violates the Maryland Unemployment Insurance Law or regulations, if no other penalty is provided.

METHODS OF FILING THE CONTRIBUTION/EMPLOYMENT REPORT	
Filing Method	Information on Filing Method
<b>Internet</b>	All employers should use this method to file a report for the current quarter. Employers who paid wages to 200 employees or less in the prior quarter, will see preprinted information on the website. Go to <a href="http://www.mdunemployment.com">www.mdunemployment.com</a> . Click on "WebTax". Password problems?: Contact 410-767-2412 or toll free -1-800-492-5524 or email at <a href="mailto:empassist@dllr.state.md.us">empassist@dllr.state.md.us</a> See the pamphlet on WebTax for more information regarding online filing.
<b>WebWage</b>	Employers with up to 5,000 employees may use this method. An employer files the contribution report online at <a href="http://www.mdunemployment.com">www.mdunemployment.com</a> and attaches a wage file (i.e. employment report) as instructed on the online filing application. Ensure the wage file has the proper format - See "Magnetic Media Specifications for Quarterly Filing" at <a href="http://www.mdunemployment.com">www.mdunemployment.com</a> for more information. This method is available for employers who file a report for the current quarter.
<b>Telephone</b>	An employer who reports no wages paid to employees in the current quarter, or any prior quarter, may use this method. An employer who reports wages paid to 20 or less employees in the current quarter may use this method. An employer must have a touch-tone telephone to use this method. Dial 410-949-0033 in the Baltimore Metropolitan area, or toll free 1-800-492-5524 and follow the instructions. See reverse side for more information regarding telephone filing.
<b>E-wage</b>	All employers may use this method. An employer files the paper contribution report and attaches the wage file (employment report) to an email at <a href="mailto:ewage@dllr.state.md.us">ewage@dllr.state.md.us</a> Ensure the wage file has the proper format - See <a href="http://www.mdunemployment.com">www.mdunemployment.com</a> for more information. Click on "E-Wage Filing".
<b>Magnetic Media</b> (Diskette or Computer Tape)	This method is required by law for an employer who paid wages to more than 100 employees in the quarter and the employer does not use one of the following methods: Internet, WebWage or E-wage. The employment report is filed on magnetic media. The employer files the contribution report on paper. Tax Preparers filing on behalf of 100 or more employers must file the contribution and employment report on magnetic media. Ensure the magnetic media is in the proper format - See "Magnetic Media Specifications for Quarterly Filing" at <a href="http://www.mdunemployment.com">www.mdunemployment.com</a> .
<b>Paper</b>	An employer who paid wages to 100 or less employees in the quarter may use this method. An employer must file the paper Contribution/Employment Report that was provided by the Division of Unemployment Insurance, or file a previously approved facsimile. Do not use photocopies or unapproved facsimiles.

Regardless of your filing method, round your wage entries to the next whole dollar. Round 50¢ or less down to the nearest whole dollar; round 51¢ or more up to the nearest whole dollar. After rounding, do not report zeros as cents on the Employment Report and on lines 10, 11, and 12 of the Contribution Report. Your tax payment is computed to the penny.

METHODS FOR MAKING YOUR PAYMENT FOR UNEMPLOYMENT INSURANCE TAXES	
Payment Method	Information on Payment Method
<b>Credit Card</b> (Acceptable cards are Visa, MasterCard, American Express and Discover/Novus) - The service charge for a credit card transaction is the greater of \$1.00 or 2.5% of the tax payment.	<ol style="list-style-type: none"> <li>1. Select credit card payment when prompted after the Contribution/Employment Report is filed online and follow instructions, or</li> <li>2. Visit <a href="http://www.officialpayments.com">www.officialpayments.com</a> and follow instructions, or</li> <li>3. Call 1-800-272-9829. When asked for payment option, press 2 in order to pay state taxes. Then follow the recorded instructions. When prompted for a jurisdiction code, enter 3030#.</li> </ol> Official Payments Corporation processes the credit card transaction for the State of Maryland. For assistance with your credit card transaction or credit card bill, call the Official Payments Corporation at 1-800-487-4567 (Option 4).
<b>ACH Debit</b> There is no service charge to employers for ACH Debit transactions. Payments up to \$500,000.00 are accepted. As soon as the ACH Debit transaction is completed, payment is requested from the employer's financial institution. An employer may not designate a future date for payment by the financial institution.	<ol style="list-style-type: none"> <li>1. Select Direct Debit (Electronic Check) when prompted after the Contribution/Employment Report is filed online and follow instructions, or</li> <li>2. Visit <a href="http://www.officialpayments.com/echeck/index.jsp">www.officialpayments.com/echeck/index.jsp</a> and follow instructions</li> </ol>
<b>ACH Credit</b> An employer would be responsible for any cost charged by the employer's financial institution for an ACH Credit transaction.	ACH Credit is available to employers who have a signed agreement with the Division of Unemployment Insurance. Call 410-767-2412 or visit <a href="http://www.mdunemployment.com">www.mdunemployment.com</a> to obtain agreement. Click "Electronic Funds Transfer (EFT)".
<b>Check</b> Make check payable to Maryland Unemployment Insurance Fund. Include your Maryland unemployment insurance employer number on the check.	Mail checks to: Division of Unemployment Insurance P. O. Box 17291 Baltimore, Maryland 21297-0365  <div style="text-align: right;"><u>No Certified Mail</u></div>

Important: The amount of your check, ACH Credit, ACH Debit or credit card payment must equal the amount on line 19 of the Contribution Report. An insufficient payment is first applied to interest and penalty. This would result in taxes due, which accrues additional interest.

**INSTRUCTIONS FOR EMPLOYMENT REPORT**

The Employment Report is used to list employees who received wages for services performed during the quarter and to list the amount of wages paid to each employee, including corporate officers. All remuneration for personal services, whether designated as "wages", "salary", "bonuses", "tips", "commissions", "profit sharing", or any other term and whether paid on the basis of piece rates, hour rates, day rates, or fixed weekly, monthly or annual stipends must be reported on the Employment Report. Wages must be reported for the quarter in which the amounts are paid and not when earned. Some individuals are not listed on the Employment Report and some wage payments are not included on the Employment Report. For additional information regarding exceptions, refer to the Employer's Quick Reference Guide which is available on-line at [www.mdunemployment.com](http://www.mdunemployment.com). Click "Employers Quick Reference Guide".

**INSTRUCTIONS FOR CONTRIBUTION REPORT**

- Line 1. Review the e-mail address, name and address as shown. If changes are needed, darken the small upper right hand box (contains an X) and enter changes in the name/address box.
- Line 6. Enter the correct Federal ID Number if the number printed is incorrect.
- Line 7. If the name of your business has changed, darken the appropriate box on line 7 and enter the new name next to the old name in the name/address box.
- Line 8. If your telephone number is incorrect as printed, enter the correct telephone number and include the area code. If there is no telephone number showing, enter the area code and telephone number where you can be reached during weekday business hours.
- Line 9. If your business ceased operations and discharged all employees, enter last date wages were paid. If corporate officers continue to receive remuneration for services performed, do not enter date. Darken box if your business was acquired by another employer.
- Line 10. Enter the total amount of wages from the Employment Report.
- Line 11. Taxes are not due on wages in excess of the taxable wage base (\$8,500). The purpose of Line 11 is to record the amount of wages in excess of the taxable wage base. Excess wages must be computed for each individual and then accumulated into a grand total and entered on Line 11. The figure on Line 11 may equal, but not exceed, Line 10. A worksheet to compute the amount of excess wages for each employee is available at [www.mdunemployment.com](http://www.mdunemployment.com). Click on "Employers Quick Reference Guide". An Excel worksheet for computing excess wages is available at [www.mdunemployment.com](http://www.mdunemployment.com). Click on "Excess Wage Calculator".
- Line 15. Enter here the amount of interest which has accrued since the due date shown in item 5. The law provides in Section 8-628 for interest on past due contributions at the rate of 1.5% per month. To calculate interest due use this formula: .0005 x number of days late x contributions = interest due
- Line 17. An amount printed on this line is the amount that is owed on your account for previous quarters. The amount does not reflect payments received after the date shown on line 17. The amount also does not reflect contributions due on returns of prior quarters that have not been filed. Interest when applicable has been computed as of the date shown on line 17. If no amount is printed on line 17, your account has no past due liabilities as of the date printed on the line.
- Line 18. Enter here the amount appearing on Credit Memoranda received from the Division of Unemployment Insurance. No deduction for previous overpayments will be allowed unless a Credit Memorandum has been issued by the Agency. An employer who discovers any overpayment should apply for a refund or credit, setting forth the facts in support of his claim by separate request. **DO NOT MAKE ADJUSTMENT ENTRIES ON THIS RETURN FOR PRIOR QUARTERLY CORRECTIONS.** Request adjustment form DLLR/OUI 21.
- Line 19. Enter here the sum of Lines 14, 15, 16, and 17 minus line 18. A remittance covering this exact amount must be enclosed or made by ACH Credit, ACH Debit or by credit card.
- Line 20. Enter the number of full-time and part-time workers (subject to the Maryland Unemployment Insurance Law ) who worked during or received pay for any part of any payroll period which includes the 12th of the month. Enter zero (0) if no employees worked during the month. Compute entries based on one or a combination of the following:
  - (a) The number of workers on the daily payroll for the workday on or nearest the 12th of the month. (b) The weekly payroll including the 12th of the month. (c) The first of the two semi-monthly payrolls. (d) The monthly payroll or any other type used, which includes the 12th day of the month. This count should cover all workers on your payroll including those who have already earned more than \$8,500 this calendar year.
- Line 22. SIGNATURE. Each paper return must be signed by: (1) individual, if the employer is a sole proprietor, (2) the president, treasurer, or other principal officer, if the employer is a corporation, or (3) a partner, if the employer is a partnership, or (4) a member, if the employer is a limited liability company.

**INFORMATION CONCERNING THE FILING OF THE CONTRIBUTION/EMPLOYMENT REPORT BY TELEPHONE**

1. A report that reflects no wages paid to employees in a quarter may be filed by telephone for the current and/or a prior quarter.
2. You may file a report to reflect wages paid to employees for the current quarter only, provided your call occurs by midnight of the report's due date. Reports reflecting wages paid to employees may not be filed after the report's due date.
3. Before you call to file a report that reflects wages paid to employees, have your payroll records available. It is recommended that you complete the paper contribution/employment report, so that your entries on the telephone and your verification of amounts provided by the telephone system are not time consuming.
4. Entering employment data for new employees may be intricate. You will need to enter 17 consecutive numbers - 9 for the employee's social security number, plus 2 for the first letter of the employee's first name, plus 6 for the first 3 letters of the employee's last name. After you confirm your entries, you will enter the amount of wages paid to the person during the quarter. Two keys on your telephone must be pressed for each letter. The following chart converts letters to number keys that must be pressed on your telephone.

A . . . . .21	H . . . . .42	O . . . . .63	V . . . . .83
B . . . . .22	I . . . . .43	P . . . . .71	W . . . . .91
C . . . . .23	J . . . . .51	Q . . . . .72	X . . . . .92
D . . . . .31	K . . . . .52	R . . . . .73	Y . . . . .93
E . . . . .32	L . . . . .53	S . . . . .74	Z . . . . .94
F . . . . .33	M . . . . .61	T . . . . .81	
G . . . . .41	N . . . . .62	U . . . . .82	

Example of entering 17 numbers for a new employee named John Smith, social security number 123-45-6789: Enter 123456789 for the social security number, then 51 for the letter J of the name John, then 74 for the letter S, then 61 for the letter M, then 43 for the letter I of the name Smith. In summary, enter the following consecutive numbers without pausing: 12345678951746143.

**IMPORTANT:** An employee is considered new if the employee is not shown on your paper Employment Report. Since entering employment data is intricate, please write the 17 numbers for a new employee on paper before you call.

5. If a payment is due, remit the payment according to the instructions for your method of payment as shown on the reverse side.

**INFORMATION CONCERNING THE FILING OF THE CONTRIBUTION REPORT BY PAPER**

1. Complete the Employment Report.
  - If employee data is preprinted on the Employment Report, review the preprinted data and make entries according to the following instructions.
    - General Information: The source for this quarter's preprinted employee information is the wage information reported on the previous quarter's employment report. If wages are not reported for an individual this quarter, the preprinted information will automatically drop from the next quarterly report.
    - Correct Preprinted Information: Enter the amount of wages paid to the individual this quarter in column 8 if the preprinted information for a person is correct, and you paid wages to the individual this quarter. This instruction also applies to those individuals paid wages in this quarter who have subsequently left your employ.
    - Incorrect Preprinted Information: If in this quarter you paid wages to an employee for whom the preprinted information in columns 5, 6, or 7 is incorrect, do not enter any information in column 8. Do not correct erroneous preprinted information on the same line. Enter the complete corrected information for the individual on the next available line.
    - Newly Hired Individuals: If you have a new hire, enter information for the person in columns 5, 6, 7, and 8 on the next available line. They will appear as preprinted information on the next quarterly report.
    - Former Employees (With Wages): If you have preprinted information for a former employee with wages paid in this quarter, enter the amount in column 8. The preprinted information will appear on the next quarterly report, but not thereafter if no additional wages are paid.
    - Former Employees (No Wages): If you have preprinted information for a former employee with no wages paid in this quarter, leave column 8 blank. The preprinted information for this individual will be dropped from the next quarterly report.
2. If employee data is not preprinted on the Employment Report, and if wages were paid in the quarter, enter the data in the columns.
3. Obtain agency supplied continuation sheets for reporting additional employees that do not fit on the Employment Report. Call 410-767-2412 or toll free 1-800-492-5524 to obtain continuation sheets.
4. Complete the Contribution Report. First, transfer the grand total of wages from the Employment Report to line 10 of the Contribution Report, then complete the remainder of the form.
5. If a payment is due, remit the payment according to the instructions for your method of payment, as shown on the reverse side.