

ARIZONA DEPARTMENT OF ECONOMIC SECURITY

Division of Employment & Rehabilitation Services

Arizona Unemployment Tax

Rate Request Specification and Requirement



DEPARTMENT OF ECONOMIC SECURITY

Your Partner For A Stronger Arizona

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This document provides instruction and technical specification for setting up and requesting employer Unemployment Tax rate information. The tax rate provided in this process will include Job Training Tax liability.

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1.0 **Business Objectives**

This document provides instruction and technical specification for setting up and requesting employer Unemployment Tax rate information. The tax rate provided in this process **will** include Job Training Tax liability.

2.0 **Account Representative (AREP) Requirements**

To obtain rate information, each employer **MUST** have an Account Representative (AREP) Code entered on their record in our database.

If an AREP Code has not been assigned to your firm, call (602) 771-6602 and ask for the Employer Registration Unit Manager.

The AREP Code identifies representatives and is the link between them and employers. It is entered on the employer record after the department has received a verified copy of the Power of Attorney granting you permission to obtain information on behalf of the employer.

Note: *We will not release rate information if an employer does not have the AREP code specified in their record.*

If you need to file a Power of Attorney with the Department for a client, you may download a Power of Attorney (POA) Form from our Internet Site.

Go to <https://des.az.gov/services/employment/unemployment-employer> and follow the steps below:

On the far right side of the screen under **Unemployment – Employer**

- Click on **Unemployment Insurance Tax Forms**
- In the middle of the screen under **Forms for Unemployment Tax** is a list of forms available, click on **Limited Power of Attorney (POA)** to open the PDF file (for sample see [Appendix](#))

OR

- To save the file to your desktop - hover your cursor over **Limited Power of Attorney** and right click the mouse and select **Save Target as . . .**
- The first page of the document gives the address and the FAX number indicating how to return the completed POA to the Employer Registration Unit.

3.0 File Format and Specifications

All fields are required unless otherwise specified.

There are two types of records which we process with a COBOL program:

1. **file header** (first record) and
2. **detail records** (all subsequent records)

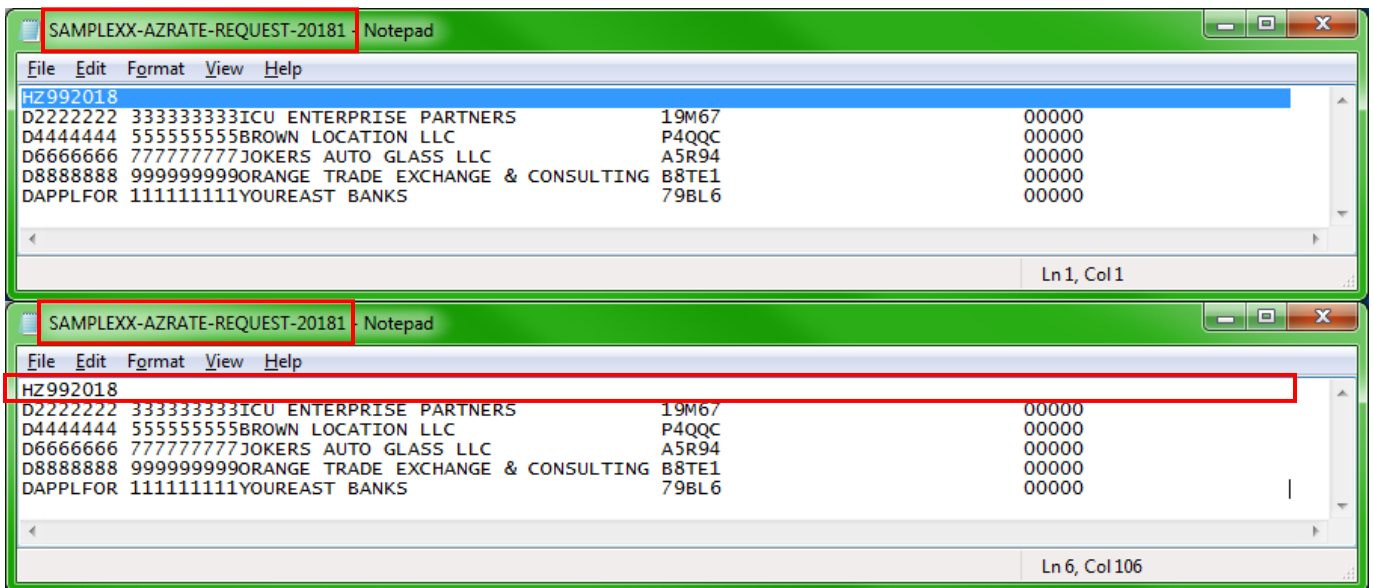
When creating the text files, a carriage-return in the file with fixed length fields must be used to write each record below one another so that the records do not wrap. The carriage-return will be at the end of each record and it enables our program to recognize the end of each record.

Request File (from AREPs to AZDES/UIA/BTS)

AREP Header Record (this is the header record for the entire file)

Field	Position		Size	Name	Contents	Entry Information
	From	To				
1	01	01	1	HEAD-KEY	"H"	Always "H". This identifies the File Header Record.
2	02	04	3	AREP-CODE	Alphanumeric	AZ UI Tax assigned code ex: P01 (1 alpha 2 numeric)
3	05	08	4	AREP-TAX-YEAR	"YYYY"	Tax year requested (ex: 2018)
4	09	106	98	FILLER	BLANK	Always spaces. DO NOT USE

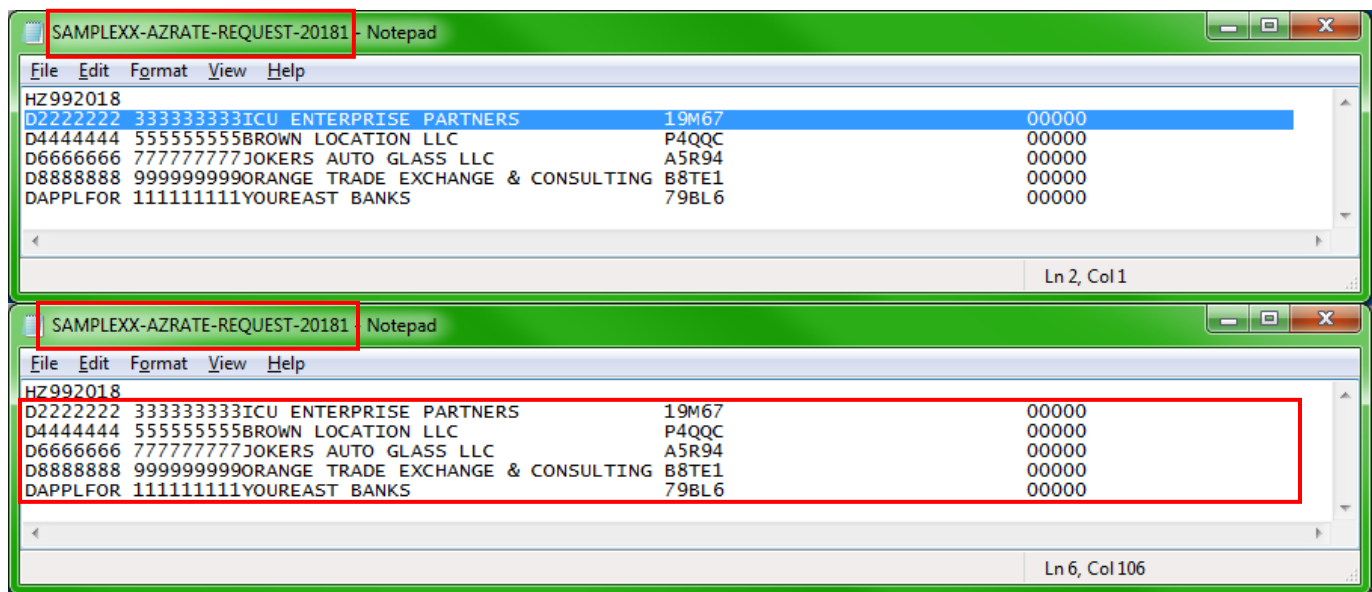
EXAMPLE for an Employer SAMPLEXX with AREP Code of Z99 and for 2018 tax year:



Request File (from the AREP to AZDES / UIA / BTS)

AREP DATA (one record for Each Employer)

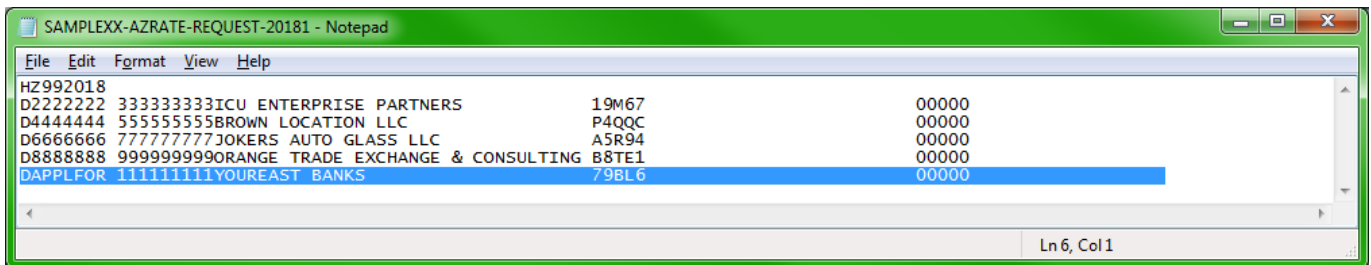
Field	Position		Size	Name	Contents	Entry Information
	From	To				
1	01	01	1	DATA-KEY	"D"	Always "D".
2	02	08	7	AREP-EMP-NBR	Numeric	UI Tax Employer Number (required ^{note 1} ; ^{note 2})
3	09	09	1	FILLER	SPACE	Always a space
4	10	18	9	AREP-FEIN-NBR	Numeric	Employer's Federal ID number (required) ^{note 1}
5	19	53	35	AREP-EMP-NAME	Alphanumeric	Employer Name from AREP's records
6	54	83	30	AREP-CUST-SP	Alphanumeric	For AREP use only (May be left blank if not needed.)
7	84	88	5	AREP-RATE	99V999	^{note 2}
8	89	99	11	AREP-CREDIT-BAL	Pic 9(09)V99	^{note 2}
9	100	104	5	FILLER	BLANK	Always a space
10	105	105	1	AREP-REMB-EXT-IND	"B", "X" or blank	B =Reimbursable Employer X =Exempt Employer Blank =Rated Employer or no rate info was provided. ^{note 3}
11	106	106	1	AREP-EMP-JTT-IND	"Y" OR "N"	Employer's liability for Job Training Tax. Blank filled on the Input File This field will be "Y" for Yes or an "N" for No on the Output File. ^{note 2}



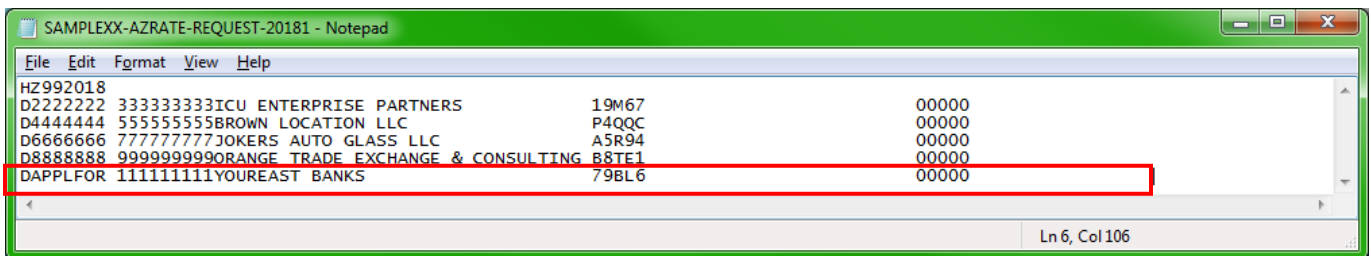
NOTES:

- 1 For data security purposes, the Employer Number or the Federal Employer ID (FEIN) is required. We will not release rate information if one or the other does not match our records. You will need to obtain this number from the employer before requesting rate information.
- 2 Arizona UI Tax will overwrite this field for valid employer accounts listed in our employer records with your AREP code if requested. To request the AZ UI Number, the Employer Number field **MUST** contain **"APPLFOR"** and the record **MUST** contain the Federal Employer ID (FEIN).

EXAMPLE:



```
SAMPLEXX-AZRATE-REQUEST-20181 - Notepad
File Edit Format View Help
HZ992018
D2222222 3333333333ICU ENTERPRISE PARTNERS      19M67      00000
D4444444 5555555555BROWN LOCATION LLC                P4QQC      00000
D6666666 7777777777JOKERS AUTO GLASS LLC             A5R94      00000
D8888888 9999999999ORANGE TRADE EXCHANGE & CONSULTING B8TE1      00000
DAPPLFOR 1111111111YOUREAST BANKS            79BL6      00000
Ln 6, Col 1
```



```
SAMPLEXX-AZRATE-REQUEST-20181 - Notepad
File Edit Format View Help
HZ992018
D2222222 3333333333ICU ENTERPRISE PARTNERS      19M67      00000
D4444444 5555555555BROWN LOCATION LLC                P4QQC      00000
D6666666 7777777777JOKERS AUTO GLASS LLC             A5R94      00000
D8888888 9999999999ORANGE TRADE EXCHANGE & CONSULTING B8TE1      00000
DAPPLFOR 1111111111YOUREAST BANKS            79BL6      00000
Ln 6, Col 106
```

If any errors exist, a message will be written to an Error Report ([see Section 5](#)) and the record will be rewritten to the output file with no changes.

Response File (from AZDES / UIA / BTS to AREPs)

Field	Position		Size	Name	Contents	Entry Information
	From	To				
1	01	01	1	DATA-KEY	"D"	Always "D".
2	02	08	7	AREP-EMP-NBR	Numeric	UI Tax Employer Number (required note 1 ; note 2)
3	09	09	1	FILLER	SPACE	Always a space
4	10	18	9	AREP-FEIN-NBR	Numeric	Employer's Federal ID number (required) note 1
5	19	53	35	AREP-EMP-NAME	Alphanumeric	Employer Name from AREP's records
6	54	83	30	AREP-CUST-SP	Alphanumeric	For AREP use only (May be left blank if not needed.)
7	84	88	5	AREP-RATE	99V999	note 2
8	89	99	11	AREP-CREDIT-BAL	Pic 9(09)V99	note 2
9	100	104	5	FILLER	BLANK	Always a space
10	105	105	1	AREP-REMB-EXT-IND	"B", "X" or blank	B =Reimbursable Employer X =Exempt Employer Blank =Rated Employer or no rate info was provided. note 3
11	106	106	1	AREP-EMP-JTT-IND	"Y" OR "N"	Employer's liability for Job Training Tax. Blank filled on the Input File This field will be "Y" for Yes or an "N" for No on the Output File. note 2

```

SAMPLEXX-AZRATE-RESPONSE-20181 - Notepad
File Edit Format View Help
HZ992018
D2222222 33333333ICU ENTERPRISE PARTNERS 19M67 0000000000000000 BN
D4444444 55555555BROWN LOCATION LLC P4QQC 0000000000000000 X
D6666666 77777777JOKERS AUTO GLASS LLC A5R94 0000000000000000
D8888888 99999999ORANGE TRADE EXCHANGE & CONSULTING B8TE1 0200000000000000 N
DAPPLFOR 11111111YOUREAST BANKS 79BL6 0000000000000000
Ln 1, Col 1
    
```

```

SAMPLEXX-AZRATE-RESPONSE-20181 - Notepad
File Edit Format View Help
HZ992018
D2222222 33333333ICU ENTERPRISE PARTNERS 19M67 0000000000000000 BN
D4444444 55555555BROWN LOCATION LLC P4QQC 0000000000000000 X
D6666666 77777777JOKERS AUTO GLASS LLC A5R94 0000000000000000
D8888888 99999999ORANGE TRADE EXCHANGE & CONSULTING B8TE1 0200000000000000 N
DAPPLFOR 11111111YOUREAST BANKS 79BL6 0000000000000000
Ln 6, Col 106
    
```

NOTES:

- 1** For data security purposes, the Employer Number or the Federal Employer ID (FEIN) is required. We will not release rate information if one or the other does not match our records. You will need to obtain this number from the employer before requesting rate information.
- 2** Arizona UI Tax will overwrite this field for valid employer accounts listed in our employer records with your AREP code if requested. To request the AZ UI Number, the Employer Number field **MUST** contain “**APPLFOR**” and the record **MUST** contain the Federal Employer ID (FEIN). If any errors exist, a message will be written to an Error Report ([see Section 5](#)) and the record will be rewritten to the output file with no changes.
- 3** The Reimbursable-Exempt Indicator field is to be populated with either a “**B**” for Reimbursable Employer, an “**X**” for an Exempt Employer **or left blank**. When this field is left blank, it will either indicate that the employer is a Rated Employer or because no rate information was provided. This field will be left blank on the input Rate Request File. It will be populated only on the output Rate Response File returned to the AREPs.

NOTE: The rate we provide is for UI Tax **only** and does not include Job Training Tax.

File Specifications

Record Length = 106
Format = ASCII

4.0 File Verification Process

When you have been established as an Accounting Representative (AREP) and created the file according to the specifications, you must submit a **test file** to ensure we are able to process it correctly. The test file should be limited to 25 records **4**

(see [Section 7](#) Rate Request Input File Name Format from AREPs to AZDES/UIA/BTS)

Send the test file via **secure email** to:

DERS Employer Rate Requests
Arizona Department of Economic Security
Unemployment Insurance Administration
Business and Technology Solutions

Angela Sun
Business Analyst
Office: 602-771-8382

Or

Annette McConnell
Business Analyst
Office: 602-771-8387

Email: DERSEmployerRateRequests@azdes.gov

NOTES:

Each employer record must contain your AREP code to get results. You will need to work with the Employer Registration Unit Manager to get this completed before submitting a test file.

5.0 Error Report

An Error Report is produced for all records where the tax rate data is not written to your output file. The errors listed are for one of the following possible conditions:

1. **EMPLOYER NOT ON MASTER FILE** – Employer record was not found in our database.
2. **AREP CODE NOT ON EMPLOYER RECORD** – The program found a match but cannot release the requested data because the employer record does not have the accounting representative code recorded. This may mean that a Power of Attorney was not submitted or our accounting unit has not yet updated the employer record.
3. **FEIN / EMP NMBR COMBO INVALID** – Either the Employer Number or the Federal Employer Identification Number (FEIN) must match the employer record. It is the employers' responsibility to ensure that Arizona UI Tax has the correct FEIN.
4. **MULTIPLE FEIN / EMP NMBR COMBOS** – Either the Employer Number or the Federal Employer Identification Number (FEIN) must match the employer record. This occurs when there is more than one combination of FEIN / EMP Numbers. It is the employers' responsibility to ensure that Arizona UI Tax has the correct FEIN.
5. **ACCOUNT CLOSED IN PRIOR YEAR** – Employer record is closed and a tax rate does not exist for the year requested.
6. **ACCOUNT CLOSED – SUCCESSOR IS XXXXXXXX** – Employer record is closed. The Employer has a Successor. The Successor Number has been provided as there is a Power of Attorney on the Successor.
(**Note:** "XXXXXXX" is the Successor Number that is provided within the error message.)
7. **ACCT CLOSED – EMPLOYER HAS A SUCCESSOR** – Employer record is closed. The Employer has a Successor and there is no Power of Attorney on the Successor.
8. **NO RATE FOUND ON RECORD** – Employer is exempt, reimbursable account, or is in a suspense status.

6.0 Employer Rate Request Processing Schedule

Below is the Employer Rate Request Processing Schedule that is to be followed throughout the Quarterly process. The Quarterly UC-018 run is scheduled on either the **second** or **third** week in the months of **March, June, September, and December**.

Quarterly Employer Rate File Processing Schedule:

The Employer Rate Request file processing will occur two (2) times in each Quarter.

- The **first file (Optional)** Rate Request text file will be submitted by the AREPs participating in the Optional file run to be processed **MUST** be submitted and received via secured email to DERSEmployerRateRequests@azdes.gov by the **4th week of the 1st month of the quarter** (January, April, July, and October) by those AREPs participating in the Optional Run. (see [Section 7](#))

The Arizona UI Tax (BTS Unit) will process the request for the UI Tax Rate upon the receipt of the request submitted by the AREP and return via secure email to the participating AREPs. All information will be provided. Per the established criteria, the Employer Number, Rate, Credit Balance, and Job Training Tax Liability Indicator will be provided, and the Employer Password field (**not used**) will be **blank filled** on the Output file (see [Section 8](#))

- The **second file (Mandatory)** Rate Request text file will be submitted by all participating AREPs to be processed **MUST** be submitted and received via secured email to DERSEmployerRateRequests@azdes.gov by the **1st week of the last month of the quarter** (March, June, September, and December) by all participating AREPs. After each of the Quarterly UC-018 runs the **Mandatory** Employer Rate Request processing will be completed for all participating AREPs. (see [Section 7](#))

All AREPs rate files will be processed after the Quarterly UC-018 run to pick up the current Credit Balance and will be returned to all AREPs via secure email. Per the established criteria, the Employer Number, Rate, Credit Balance, and Job Training Tax Liability Indicator will be provided and the Employer Password field (**not used**) will be **blank filled** on the Output file. (see [Section 8](#))

7.0 Rate Request Submission Instructions

The Rate Request Submission Instructions provide what the AREPs will submit to the AZDES/UIA/BTS for each Quarterly rate request run (Optional and Mandatory files). The [Rate Request Return Instructions](#) provide what AZDES/UIA/BTS will return to the AREPs for each Quarterly rate request run (Optional and Mandatory Files).

Rate Request Submission Instructions

Submit the following: (Requests will not be processed if these requirements are not met)

Rate Request Input file from AREPs to AZDES/UIA/BTS:

filename format

XXXXXXXX-AZRATE-REQUEST-YYYYQ.txt

XXXXXXXX – eight character **AREP Qualifier** assigned by AZDES/UIA/BTS for the participating AREP

YYYY – four digit year

Q – Quarter

Send the above **Rate Request Input** file via **secure email** to:

DERS Employer Rate Requests
Arizona Department of Economic Security
Unemployment Insurance Administration
Business and Technology Solutions

Angela Sun
Business Analyst
Office: 602-771-8382

Or

Annette McConnell
Business Analyst
Office: 602-771-8387

Email: DERSEmployerRateRequests@azdes.gov

8.0 Rate Requests Return Instructions

Rate Request Response Output file **5** from AZDES/UIA/BTS to AREPs:

filename format

XXXXXXXX-AZRATE-REQUEST-YYYYQ.txt

XXXXXXXX – eight character **AREP Qualifier** assigned by AZDES/UIA/BTS for the participating AREP

YYYY – four digit year

Q – Quarter

Rate Request Error Report Response Output file **5** from AZDES/UIA/BTS to AREPs:

filename format

XXXXXXXX-AZRATE-RESPONSE-ERROR-RPT-YYYYQ.txt

XXXXXXXX – eight character **AREP Qualifier** assigned by AZDES/UIA/BTS for the participating AREP

YYYY – four digit year

Q – Quarter

NOTES:

5 Rate Request Response Output file and Rate Request Error Report Response Output file will be sent to AREPs from AZDES/UIA/BTS via **secure email**.

Appendix - Sample Limited Power of Attorney

UIT-1146A FORFF (4-18)

ARIZONA DEPARTMENT OF ECONOMIC SECURITY
Employer Engagement Administration

LIMITED POWER OF ATTORNEY

The Limited Power of Attorney form is used by employers to authorize a third party to represent them before the Arizona Department of Economic Security (DES) in the Unemployment Insurance (UI) matters specified on the form. Such authorization also permits DES to provide the representative with any confidential information concerning the employer's Arizona UI account that is related to those matters.

Specify which matters the authorization applies to by checking the appropriate checkbox(es) on the form. If you want the authorization limited to a specific matter, such as a specific DES decision under appeal, check the "Other, specific UI matter" checkbox and briefly describe the matter in the space below to identify it specifically. Provide the representative's address immediately below that if you want to have all correspondence related to the "Other, specific UI matter" mailed to that address.

If you want to change the primary mailing address for general DES correspondence related to the employer's UI account, complete the area of the form provided for that purpose. You may also specify a separate mailing address for unemployment benefit claim-related notices by completing the area of the form provided for that purpose. Such a separate address is sometimes advisable, to enable the timely protesting of claims. Protests must be returned or postmarked within 10 business days after the date on the claim filing notice (Notice to Employer – UB-110) to be considered timely.

Submit the completed form with the original signature of a duly qualified officer or owner of the employer's business to the UI Tax Employer Registration Unit at the address below. Questions about the use or completion of the form should also be directed to the Employer Registration Unit.

ADES - UI Tax Section
Employer Registration Unit
P.O. Box 6028 - Mail Drop 5881
Phoenix, Arizona 85005-6028
Telephone – (602) 771-6602
Fax – (602) 532-5539
Email – UITStatusClerical@azdes.gov

Equal Opportunity Employer/Program • Under Titles VI and VII of the Civil Rights Act of 1964 (Title VI & VII), and the Americans with Disabilities Act of 1990 (ADA), Section 504 of the Rehabilitation Act of 1973, the Age Discrimination Act of 1975, and Title II of the Genetic Information Nondiscrimination Act (GINA) of 2008; the Department prohibits discrimination in admissions, programs, services, activities, or employment based on race, color, religion, sex, national origin, age, disability, genetics and retaliation. The Department must make a reasonable accommodation to allow a person with a disability to take part in a program, service, or activity. Auxiliary aids and services are available upon request to individuals with disabilities. To request this document in alternative format or for further information about this policy, Contact the UI Tax Office at 602-771-6606; TTY/TDD Services: 7-1-1. • Free language assistance for DES services is available upon request. • Disponible en español en línea o en la oficina local.

LIMITED POWER OF ATTORNEY

EMPLOYER INFORMATION

EMPLOYER NAME ARIZONA UI ACCOUNT NO. OR FEDERAL EIN

Hereby appoints
(Representative Company's Name) (Representative Company's Phone No.)

To represent said employer before the Arizona Department of Economic Security (DES) in all matters related to Arizona Unemployment Insurance (UI) specified below until further notice (check all boxes that apply):

- UI tax preparation/filing including filing/paying via the Internet Tax and Wage System (TWS)
- All other general UI matters (all benefit claim protests, all appeals of agency determinations, etc.)
- Other, specific UI matter (provide details below to identify the matter or no action will be taken):

Provide representative's address if you want mail concerning the "Other, specific UI matter" sent there:

REPRESENTATIVE'S COMPANY'S ADDRESS (P.O. Box/Street No., Street, City, State, ZIP)

COMPLETE THIS AREA ONLY IF YOU WANT TO CHANGE THE EMPLOYER'S PRIMARY MAILING ADDRESS

EMPLOYER NAME PHONE NO.

ADDRESS (P.O./Street No. Street, City, State, ZIP)

*All general UI correspondence including liability determinations, tax and wage report forms, tax assessments, and notices of tax rates, benefit charges, appeals, liens and claim filings are mailed to the PRIMARY address. If you want a SEPARATE mailing address for notices of unemployment benefit claim filings, claim determinations and claim appeals, complete the address area below.

OPTIONAL SEPARATE MAILING ADDRESS FOR UNEMPLOYMENT BENEFIT CLAIM-RELATED NOTICES

EMPLOYER NAME PHONE NO.

ADDRESS (P.O./Street No. Street, City, State, ZIP)

In witness whereof, said employer has caused this instrument to be attested by the signature of a duly qualified officer or owner this day of (Day) (Month) (Year) .

This Limited Power of Attorney authorization cancels and/or supersedes all prior authorizations related to the specified matters and remains in effect until revoked in writing by either the employer or the representative

PRINT NAME (First, M.I., Last) TITLE

SIGNATURE

FOR AGENCY USE ONLY

REVISED PRIMARY ADDRESS REVISED/ADDED CLAIMS ADDRESS

INITIALS DATE NOTES