



Fourth Quarter 2017

Carefully Review Tax Rate Information Notice

You will receive your *Notice of Contribution Rates and Statement of Unemployment Insurance (UI) Reserve Account*, DE 2088, for the period January 1, 2018, through December 31, 2018, by December 29, 2017. Carefully review all items on the DE 2088 as it informs you of your 2018 tax rates and UI reserve account activity.

For 2018, the UI taxable wage limit and the Employment Training Tax (ETT) taxable wage limit is \$7,000 per

employee. The ETT rate will remain at 0.1 percent (.001).

The DE 2088 also notifies you of your 2018 State Disability Insurance rate and taxable wage limit, and if you are subject to ETT.

For more information about the DE 2088 and your protest rights, refer to the *Explanation of the Notice of Contribution Rates and Statement of UI Reserve Account*, DE 2088C, or call the Taxpayer Assistance Center at

1-888-745-3886.

You and/or your agent can access [e-Services for Business](#) to request more specific rate information.

If you have a change of address or agent update, please inform the Employment Development Department (EDD) immediately in order to receive your DE 2088.

Revised Paid Family Leave Forms Going Into Effect in the New Year

Assembly Bill 908, signed by Governor Brown on April 11, 2016, increased the Disability Insurance (DI) and Paid Family Leave (PFL) benefit amounts and eliminated the PFL unpaid waiting period.

While these changes impact your employees, it also made it necessary to revise the forms you are required to provide to, and submit on behalf of, your employees. Here are the forms and the revisions (in bold) you are required to use effective January 1, 2018:

- *Claim for Paid Family Leave (PFL) Benefits*, DE 2501F, **Rev. 2.1 (11-17)**
- *Paid Family Leave Brochure*, DE 2511, **Rev. 14 (12-17)**
- *Notice to Employees*, DE 1858, **Rev. 4 (12-17)**

To order these newly revised forms, visit the [EDD Forms and Publications](#) website or call 1-877-238-4373.

You can also use SDI Online to submit supporting documents related to your employees' claims.

SDI Online is easy to use. To register, you will need to provide your:

- Legal name.
- Valid email address.
- The EDD employer payroll tax account number.
- ZIP Code as reported to the EDD when your company registered as an employer.
- Total subject wages from your most recent *Quarterly Contribution Return and Report of Wages (Continuation)*, DE 9C.

Visit [SDI Online](#) for more information or to establish an account.

If you would like a representative to provide a webinar presentation to your staff or group, contact the SDI Education and Outreach Unit by email at DIBOutreach@edd.ca.gov.

All Employers Must File and Pay Electronically Beginning Jan. 1

Effective January 1, 2018, **all employers must** electronically submit employment tax returns, wage reports, and payroll tax deposits to the EDD.

Note: Employers with 10 or more employees have been required to electronically file and pay since January 1, 2017.

For more information, visit the [E-file and E-pay Mandate for Employers](#) website.

Employers can file and pay online with e-Services for Business to meet this requirement. To enroll, visit [e-Services for Business](#) today.

If you need assistance with enrolling, filing, or paying using e-Services for Business, contact the Taxpayer Assistance Center at 1-888-745-3886, Monday through Friday, 8 a.m. to 5 p.m. (Pacific Time).

e-Services for Business. Online. Anytime.

Control Your Health Plan Budget With a Reference Plan Strategy

Providing health coverage is a great way to attract and retain your employees. Whether you're offering a health insurance benefit plan for the first time, or renewing your plan for the upcoming year, **Covered California for Small Business** is here to help you find the best options for your budget.



are able to control your health insurance budget, and determine your contribution level by using a **reference plan strategy**.

Covered California allows you to set your defined contribution level without dictating to your employees their level of benefit or health insurance carrier.

It can be challenging to balance the rising cost of health insurance and also offer your employees the choice of their own health plans to provide them with the best possible access to physician and hospital networks. One network or health plan may not fit everyone's needs.

Moving from one carrier to another can feel like an endless chase for low premiums and also disrupts your employees' access to care. Fortunately, there's a better way!

Covered California provides a fresh approach to health coverage that leaves you in the driver's seat, where you

For example, you can set the contribution level to 50 percent of the total premium from the selected reference plan.

Your defined contribution is similar to a gift card given to an employee that can be used to cover all or some of their health insurance costs. The employee may apply their "gift card" towards a health insurance plan that meets their needs and the needs of their families.

With Covered California for Small Business, you are in control of your health care budget, while your employees are allowed to choose their own health plan. The reference plan strategy is a win-win for your employees.

Submit Your Power of Attorney Online

Did you know that if you need to designate a legal representative to act on your behalf regarding tax matters, you can submit a *Power of Attorney (POA) Declaration, DE 48*, to the EDD?

Did you also know this form can be submitted online?

To submit your request, log onto **e-Services for Business**, select "Power of Attorney" from the "I Want To" menu, follow the instructions, enter the

information when prompted, and select submit.

Completing the request is fast, easy, and secure. Save time, go online to submit your DE 48.

2018 Taxable Values for Meals and Lodging

The 2018 Taxable Values for Meals and Lodging are now available at **2018 Meals and Lodging Values**.

Annual Interest Rate Is Set at 4.0 Percent

For the period January 1, 2018, through June 30, 2018, the annual interest rate will be 4 percent (0.04), compounded daily. The daily interest factor will be 0.000110.

Interest is charged on all delinquent

taxes, interest, and certain penalties.

If you have any questions about the annual interest rate for 2018, please call the Taxpayer Assistance Center at 1-888-745-3886 or visit the EDD **Interest Rate** website.

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