

STATEMENT OF REIMBURSABLE BENEFIT CHARGES (DE 428R)

Public entities and nonprofit organizations, described under section 501(c)(3) of title 26 of the [Internal Revenue Code](#), may elect to use the reimbursable method of paying for Unemployment Insurance (UI) benefits. This reimbursement method is also applicable to federal government agencies, under section 1023 of Public Law 96-499 for which Unemployment Compensation for Federal Employees (UCFE) and Unemployment Compensation for Ex-Service Members (UCX) apply. Employers who elect this method or who are required to elect this method must reimburse the UI Fund on a dollar-for-dollar basis for all benefits paid to their former employees.

The Statement of Reimbursable Benefit Charges (DE 428R) is an itemized list of UI benefit charges sent to employers who elected the reimbursable method (also known as the cost-of-benefits method) for financing their UI costs. This statement is sent every calendar quarter.

BENEFIT CHARGES

The charges shown on the DE 428R are determined by the UI benefits paid to claimants from a UI claim established from wages reported by the base-period employer(s). These charges, however, represent the allocated share of benefits paid during the period shown on the DE 428R and are to be reimbursed to UI Fund.

BASE PERIOD

The base period of a claim is a 12-month period. Each base period has four quarters (each quarter is three months). The base period is established when the claim is filed. There are two types of base periods: Standard Base Period and Alternate Base Period.

Standard Base Period

If claim begins in:	The base period is:
Jan, Feb, Mar	October to September
Apr, May, Jun	January to December
Jul, Aug, Sept	April to March
Oct, Nov, Dec	July to June

Alternate Base Period

If claim begins in:	The base period is:
Jan, Feb, Mar	January to December
Apr, May, Jun	April to March
Jul, Aug, Sept	July to June
Oct, Nov, Dec	October to September

BASE-PERIOD EMPLOYER

The employer(s) who paid the earnings that were used to establish a UI claim and calculate an award.

PERIOD OF CHARGES

The DE 428R displays the period of time (quarter) in which the benefits were paid or credits were made. In addition, the form also displays the ending date of the quarter under the CHG QTR column.

DE 428R MAILING SCHEDULE

Calendar Quarter	Estimated Mailing Date
1st Quarter	Last 10 days of April
2nd Quarter	Last 10 days of July
3rd Quarter	Last 10 days of October
4th Quarter	Last 10 days of January

PAYMENT OF CHARGES

The DE 428R is not a bill. However, within 14 days after the DE 428R mail date, a *Notice of Amount Due* (DE 6601) and *Statement of Account* (DE 2176) are sent to the employer. These are the bills requesting reimbursement for the UI benefits paid to employees. Pursuant to section 803 of the California Unemployment Insurance Code (CUIC), payment in full is due to the Employment Development Department (EDD) within 30 days from the DE 6601 mail date to avoid penalty. The payment can be made online using the EDD e-Services for Business at www.edd.ca.gov/Payroll_Taxes/e-Services_for_Business.htm.

For federal government and military agencies, payment is submitted to the United States Department of Labor, which in turn, reimburses the California UI Fund.

CLAIM DATE

The date the claim for UI benefits was established.

CLAIMANT ELIGIBILITY

A claimant's eligibility for benefits is based on the reason his or her employment ended with the very last employer for whom he or she worked. Once a claimant is determined eligible for benefits, they have one year from the date of the claim to draw their maximum benefit award.

Benefits paid on a UI claim are based on wages reported by all base-period employers, which could include up to 18 months prior to the claim date. For claimants receiving federal extended benefits, the period of time may be greater than 18 months.

There is no distinction made in the CUIC between wages paid to full-time, part-time, or temporary employees.

CLAIMANT INFORMATION

The UI claim information and claimant wage records are controlled by the Social Security number (SSN) and not by the names. The SSNs listed on the DE 428R were reported on the *Quarterly Contribution Return and Report of Wages (Continuation)* (DE 9C).

FILING A PROTEST

If the employer disagrees with the charges, a protest can be filed. The protest must be filed within 60 days from the mail date on the DE 428R. The protest may be denied if the employer failed to respond to the first claim notice, *Notice of Unemployment Insurance Claim Filed* (DE 1101CZ) or the *Notice of Wages Used to Unemployment Insurance (UI) Claim* (DE 1545).

REQUIRED INFORMATION ON PROTEST

A protest must include the following information:

- Claimant SSN (from the DE 428R)
- Claimant name
- Claim date (from the DE 428R)
- Charge amount (from the DE 428R)
- Reason for protesting the charges
- Total number of claimant(s) protested

Protest with missing or inaccurate information will be rejected.

WHERE TO SEND THE PROTEST

The protest must be mailed to:

Employment Development Department
Reimbursable Accounting Group
PO Box 826880 – MIC 19
Sacramento, CA 94280-0001

The protest can also be filed online using the EDD e-Services for Business at www.edd.ca.gov/Payroll_Taxes/e-Services_for_Business.htm

WHAT TO EXPECT

Protests filed are reviewed and a determination allowing or denying the protest is made based on the facts of the case. If the protest is allowed, the credit will be reflected on future benefit charge statements. If the protest is denied, the EDD sends an explanation along with information on employer's petition rights.

ADDITIONAL INFORMATION

For further assistance, call 1-916-653-5846. For detailed explanations and tips on how to manage your UI costs, refer to the booklet *Managing Unemployment Insurance Costs* (DE 4527) on the EDD website at www.edd.ca.gov.

For additional information and Frequently Asked Questions, visit the Reimbursable Method of Paying for UI Benefits at www.edd.ca.gov/Payroll_Taxes/Reimbursable_Method_of_Paying_UI_Benefits.htm.

This information sheet is provided as a public service and is intended to provide nontechnical assistance. Every attempt has been made to provide information that is consistent with the appropriate statutes, rules, and administrative and court decisions. Any information that is inconsistent with the law, regulations, and administrative and court decisions is not binding on either the Employment Development Department or the taxpayer. Any information provided is not intended to be legal, accounting, tax, investment, or other professional advice.