

# **UNEMPLOYMENT OBLIGATIONS FOR NONPROFIT EMPLOYERS**

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# OVERVIEW

- What Employers are Subject to the UI Requirement?
- Exempt Employment
- How and When to Contribute
- Common UI Issues

# WHO MUST CONTRIBUTE?

Generally, if you are a private, for-profit\* employer, the Massachusetts unemployment insurance law requires you to contribute to the UI Trust Fund if your business meets the following conditions:

- You have one or more employees working on a permanent, temporary or part-time basis, on 1 or more days in each of 13 weeks during a calendar year, or
- You pay wages of \$1,500 or more in any calendar quarter

\*This *does* include nonprofits as well.

# EXEMPT EMPLOYMENT

*Employers don't contribute to UI for work performed by independent contractors if:*

- The individual is free from control and direction of the employer in the performance of the service
- The service is performed outside the usual course of business or outside of all places of business of the employer, and
- The individual is engaged in an independently established trade of the same nature as the service performed for the employer

# HOW & WHEN TO CONTRIBUTE

- Submit employment and wage detail reports and UI contributions *quarterly*:
  - Q1: Apr. 30
  - Q2: July 31
  - Q3: Oct. 31
  - Q4: Jan. 31
- Failure to pay on time can subject you to interest (12%) and penalties!
- Contribution rate established by MA law.
- *A payroll processing service (e.g. ADP, Paychex, etc.) will usually handle this.*

# COMMON UI ISSUES

# UI RESOURCES FOR EMPLOYERS

Dept. of Unemployment Assistance's Resources for Employers:  
<https://www.mass.gov/unemployment-insurance-ui-for-employers>

Guide to UI Contributions for Employers:  
<https://www.mass.gov/guides/guide-to-employer-contributions-to-dua>

UI Online Registration for Employers:  
<https://uionline.detma.org/Employer/Revenue/Registration/EmployerRegistration/RegisterEmployer.ASPX>

# APPLYING FOR VLA LEGAL SERVICES

You can now apply for legal services directly through our website!

1. Visit <https://artsandbusinesscouncil.org/apply-for-services> and select “Apply Now”
2. Complete the application. Please include: your contact information, a brief explanation of your legal issue, and the names of any other related or involved parties.
3. For *pro bono* legal services, please also complete the financial information, **including proof of organizational income** (990, profit & loss statement, balance sheet, etc.)
4. Submit!

We’re continuing to waive VLA service fees for organizations and individuals financially impacted by COVID-19!