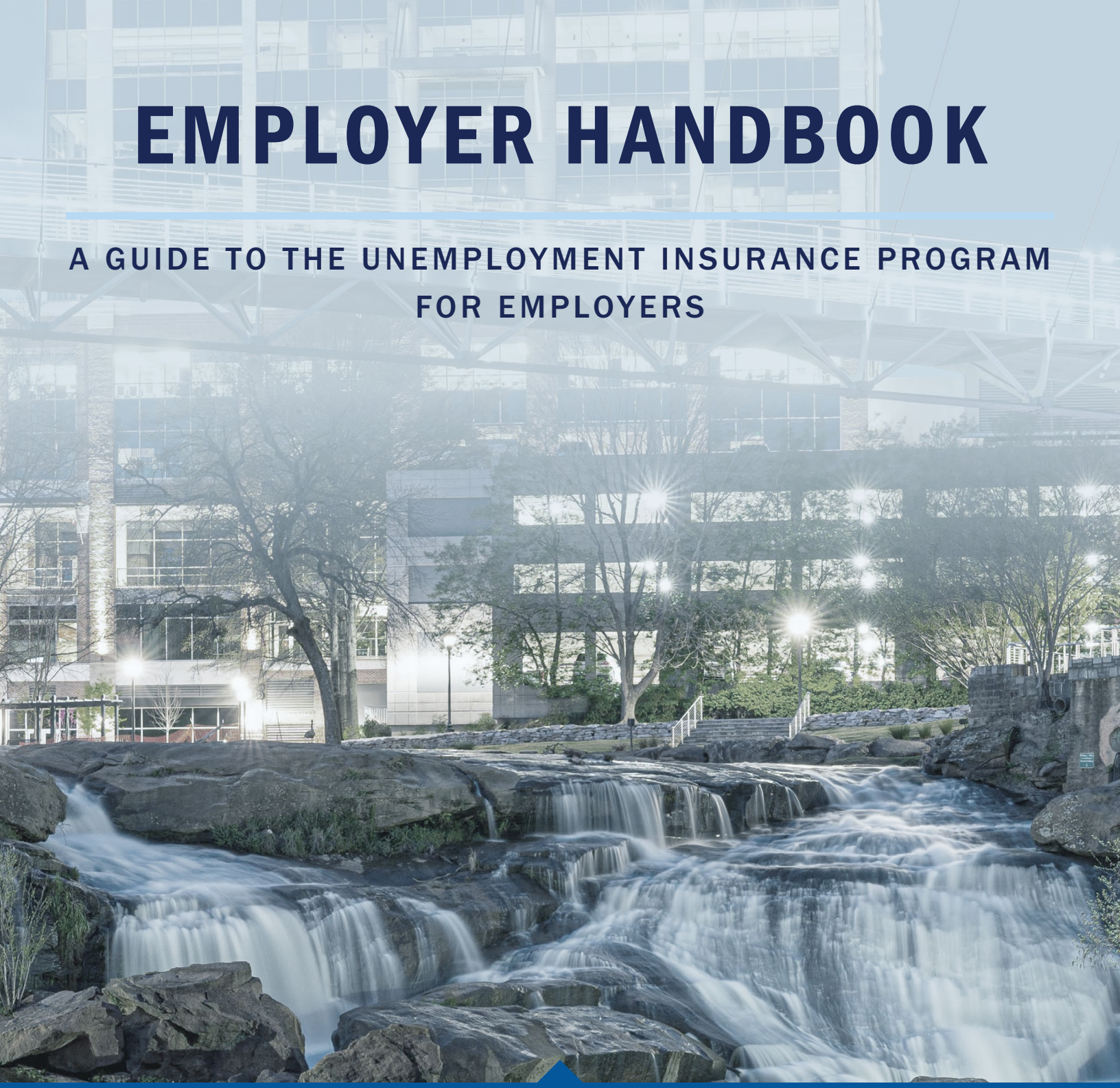
EMPLOYER HANDBOOK

A GUIDE TO THE UNEMPLOYMENT INSURANCE PROGRAM FOR EMPLOYERS



To access your account, visit **DEW.SC.GOV**
and click the **SUITS BUTTON**.

An Equal Opportunity Employer/Program. Auxiliary aids and services are available upon request to individuals with disabilities.
For program funding details in compliance with the Stevens Amendment, please visit dew.sc.gov/funding.

SOUTH CAROLINA DEPARTMENT OF
Employment and Workforce

PURPOSE OF THE EMPLOYER HANDBOOK

This handbook serves as a helpful guide to:

- Answer questions about unemployment insurance;
- Explain your rights and responsibilities as a South Carolina employer related to unemployment insurance (UI) benefits and UI taxes under South Carolina law and the regulations of the S.C. Department of Employment and Workforce (DEW);
- Define terminology and acronyms; and
- Provide resources where you can find more information.

Statements in this book are intended for informational purposes only and do not have the effect of law, regulation, or ruling.

If anything in this guide conflicts with a statute, regulation, or other binding law, the statute, regulation, or other binding law controls.

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ABOUT THIS HANDBOOK

South Carolina employers play a vital role in the economic success and quality of life in our state and the S.C. Department of Employment and Workforce (DEW) is here to help you succeed!

The purpose of the Unemployment Insurance (UI) program is to pay temporary income, known as unemployment benefits, to workers who have lost their job through no fault of their own using funds paid by employers through taxes. While a physical copy of the handbook may be provided to employers, an interactive, digital version of this handbook, with live links to resources, is available at dew.sc.gov/employer-handbook.

We Are Here to Help You

The UI program is one of many programs that DEW supports and administers. Information about the tax and benefits system are detailed in this handbook to help you, but there are many other ways that DEW assists employers. We provide information and resources to help your business thrive, including:

- Labor Market Information (LMI) for your industry or geographical area to inform your business decisions. To learn more visit lmi.sc.gov.
- Payment options should you incur a financial emergency that leaves your business unable to pay taxes in full. For details visit dew.sc.gov/unemployment-tax-information/paying-your-tax.
- Rapid Response Program that supports you in the event of a large layoff or downsizing. For further information regarding Rapid Response services, please contact RR@dew.sc.gov.
- Recruitment assistance for employers who want help finding workers with the skills necessary for your business to prosper. Visit dew.sc.gov/workforce-partners/employment-services or scworks.org/employer to learn more.

How to Contact Us

- Visit our Website
  - dew.sc.gov/employers
- Call Us
  - 1.866.831.1724 | Relay 711
- Visit our Certified Social Media Accounts

@scdewinfo (Twitter)

@SCWorksinfo (Twitter)

@scdew_info (Instagram)

@scdepartmentofemploymentandworkforce (Facebook)

@scdew (LinkedIn)

When you connect with us through social media, make sure you are selecting our certified page.

Legend

This right-hand column will appear on every page with tips, reminders, and supplemental insight. Make sure to look for the following icons to know what type of information is in the upcoming pages.

Helpful Hints

Definitions

Reminders

Frequently Asked Questions (FAQ)

Did You Know?

Video available on YouTube.com/SCDEW

Resources available on dew.sc.gov/employers

For Fastest Service, Go Online

You can check your account, request information, and more through our safe and secure website.

Visit dew.sc.gov and click the SUITS button 24 hours a day, 7 days a week.

Language Assistance

Free services are available to assist if you do not speak English. For assistance in a language other than English, please call 1.866.831.1724.

OVERVIEW OF UNEMPLOYMENT INSURANCE (UI) TAX INFORMATION

The unemployment insurance program was established in the 1930s as a financial bridge for workers who lost their jobs through no fault of their own. The program provides a weekly benefit to eligible individuals while they look for new employment. For the most part, UI benefits are spent in the claimant's local community, thereby helping sustain the economic well-being of local businesses.

Funding for the UI Program

A joint program between the U.S. Department of Labor (DOL) and state governments, UI supports unemployed workers through the Federal Unemployment Tax Act (FUTA) and state taxes.

As in other states, employers pay taxes on each worker's wages into the state trust fund to pay benefits. Under South Carolina law, tax rate schedules adjust automatically each year based on a formula that considers the projected benefit costs for the year ("base rate") and any additional amounts that may be needed if the Trust Fund does not have an adequate balance as required by law ("solvency surcharge").

Tax rates are set each year to fund these components. Each employer is also responsible for a Departmental Administrative Contingency Assessment (DACA) surcharge of 0.06 percent which is added to the base rate and interest surcharge:

Total Tax Rate = Base Rate + Solvency Surcharge (zero*) + DACA.

**Solvency charge is zero as of publication but is subject to change annually.*

The balance in the trust fund typically increases during good economic times as the amount of taxes paid exceeds the amount paid in benefits to unemployed workers. The balance often declines during bad economic times, like recessions or other major economic shocks, such as the COVID-19 pandemic. During these times the number of unemployed people grows along with the benefits paid out, while the amount paid in taxes can stagnate or even decline.

The amount a business pays is determined each year by several factors including, the solvency of the trust fund, timely payment of taxes, responsiveness to wage reports and other documentation, among other things. In this section, you will find detailed descriptions of the program, your employer responsibilities in South Carolina, answers to questions, and instructions for the tax process.

What Is Taxed

UI taxes are calculated on the first $14,000 of each employee's wages earned in a calendar year. This is what is referred to as the taxable wage base. Each November, DEW sends every employer a tax rate notice. This notice informs you of your UI tax rate for the upcoming year. Your UI tax rate determines the amount of UI taxes you pay DEW per employee.

The State Unemployment Insurance Tax System (SUITS) makes it easy for employers to review account history, submit wage data, and make payments. If you do not have an account number and need to register for an account with DEW, please create an account here: uitax.dew.sc.gov.

Tech Tip: Internet Explorer is no longer a supported web browser. This means that DEW applications, including SUITS, will not operate properly on the Internet Explorer browser. Please use the Chrome, Edge, or Firefox browser to access DEW applications.

Visit dew.sc.gov/employers/suits for Frequently Asked Questions (FAQ) about SUITS.

Taxable Wage Base – The maximum amount of wages subject to taxation for any employee paid by the same employer in a given year.

Federal Unemployment Tax Act (FUTA) – Federal law that levies a federal unemployment tax on businesses with employees. FUTA funds the federal share of the costs of administering state unemployment law. In addition, FUTA covers some administrative costs of job service programs, pays half the cost of extended unemployment benefits (that trigger during periods of high unemployment), and provides for a fund from which states may borrow to pay benefits temporarily when there are insufficient funds in the state's own UI Trust Fund.

See page 25 for explanations of UI terms.

Covered Employment vs. Noncovered Employment

There are two types of workers: those that are "covered" by unemployment insurance and those that are not covered by unemployment insurance.

Covered employment is work that is performed as a service in return for compensation that is paid in wages where the employer is required to pay UI tax. Those covered wages are then used as a basis for establishing a weekly benefit amount if the employee becomes unemployed through no fault of their own.

An employer only pays taxes on covered workers.

Noncovered employment is when an employer pays wages to an employee but does not have to pay UI taxes on those wages. Some examples include individuals who provide services to your business under any of these circumstances:

- Sole proprietor or partnership (including a Limited Liability Company (LLC) taxed as a sole proprietor or partnership) and your spouse or children (under the age of 21) work for the family business.
- Independent contractors who perform services as part of a contractual agreement.
    - Note: DEW decides whether a worker's employment status is that of an employee or an independent contractor. Although a contract between parties is considered, the fact that it states the relationship as an independent contractor does not bind DEW in its determination.
- Real estate or insurance agents if all such services are performed in exchange for a commission.
- Clergy members who perform services primarily for religious purposes.
- Medical students who perform services as part of a training program.
- Students enrolled in a full-time program at a nonprofit or public school who provide services for which academic credits are given.
- Inmates who perform services at a custodial or penal institution.
- Voluntary participants in a scientific, medical, or drug-related testing or research study when the research subjects are paid on a per-study basis.
- Student nurses employed by a hospital are excluded from the definition of employment if the intern has completed a four-year course in a medical school chartered or approved pursuant to State law.

Determining Your Tax Rate

There are two categories for UI employers. One is for benefits coverage to be paid through payroll taxes. The other is for the benefits coverage to come from employer reimbursement, also known as the cost-of-benefits method. This applies to organizations such as non-profits, government agencies, and public schools, as is covered in more detail later in this section. Let's look at the experience-based employers who pay UI taxes through the payroll system, first.

Experience-Based System

The UI program is an experience-based system. This means an employer's UI tax rates depend on how many people they employ, their current tax rate, and how many former employees have received UI benefits. Employers who have completed 12 months of liability are considered experience-rated employers and have their tax rates set based on their benefit ratio.

The benefit ratio is defined as the total benefits charged against an employer's account during the applicable period divided by the employer's taxable payroll during that same period. A higher benefit ratio indicates a greater usage of the UI system and thus results in a higher tax class and tax rate.

There are two main components of state UI taxes:

1. Experience rate – This is calculated by dividing the cost of all UI benefits charged to your account over the applicable period by your taxable payroll for that same period.
2. Administrative costs – Your total tax rate calculation may include a portion to administer the UI program.

Tax Rates for Types of Employers

Employers who meet the eligibility requirements as described under Section 501(c)(3) of the Internal Revenue Code, such as non-profit organizations, government agencies, and public schools have the option to pay the full cost of all UI benefits collected by their former employees, instead of paying a set UI tax rate. These types of employer accounts are referred to as reimbursable employer accounts. They "reimburse" the state for actual UI benefits paid to former employers rather than paying UI taxes preemptively.

The South Carolina Code of Law states that reimbursable employers can choose to pay DEW using one of two methods.

Experience-rated Employer – The UI program is an experience-based system which means an employer's UI tax rates are impacted by claims that have been paid to their former employees. Employers who have accomplished 12 months of liability are considered experience-rated employers and have their tax rates set based on their benefit ratio.

Benefit Ratio – The total benefits charged against an employer's account during the applicable period divided by the employer's taxable payroll during that same period. A higher benefit ratio indicates a greater usage of the UI system and thus results in a higher tax class and tax rate.

Reimbursable Employer – A non-profit organization or government agency that is billed (not taxed) for the UI benefits received by its former workers.

1. At the end of each calendar quarter, DEW will bill reimbursable employers for the amount due.
   - Non-profit organizations must reimburse an amount equal to regular unemployment benefits paid plus 50 percent of extended benefits paid to their former employees.
   - State and local governments must reimburse 100 percent of regular and extended benefits paid to their former employees.
   - Payment must be made no later than 30 days after DEW mails the bill to the organization's last known address.
   - All bills are final unless appealed within 15 days of the date listed on the document. If appealed, DEW will conduct a hearing using facts to affirm, modify, or reverse its original ruling. All payments are due and payable until a decision is made, either modifying or reversing the amount due. For more information on the appeals process, visit dew.sc.gov/unemployment-tax-information/appeals-process, a page found on dew.sc.gov. There is a page of resources under the Employers section where you can also find a button for Appeals or contact the Appellate Division at 803.737.2520.
2. The organization may pay two percent of its quarterly taxable payroll to DEW within 30 days after the end of each quarter. At the end of each calendar year, DEW will bill reimbursable employers for the amount that remains. If total payments exceed the amount owed for the year, all or a part of the excess funds may be refunded or kept as credit toward future payments.

Potential Risk: Reimbursable employers carry the risk of self-insurance which means you will have to reimburse benefits that would typically be non-charged if you were a taxable employer. If you elect this option, you will be billed for any benefits charged against your employer account.

Successorships

If you purchased an existing business, you inherit the UI experience rating that was attached to the business prior to purchase. UI tax rates will be assigned in accordance with S.C. Codes of laws section 41-31-110.

New Businesses

Newly liable employers who do not acquire the experience of a previously liable employer begin with a predetermined tax rate set by South Carolina law. The tax rate for new employers is the tax rate applicable for tax rate class 12 for a given year, or one percent, whichever is higher. For the specific tax rate, please see the Tax Rate Table in effect for the current year. After 12 months of liability, you are considered an experience-rated employer and are eligible for a calculated rate based on your benefit ratio during the next annual rate calculation.

Paying Taxes Based on Due Date Calendar

State law requires covered employers to make contributions into the UI Trust Fund. These contributions are used to pay benefits to jobless individuals who meet the eligibility requirements.

By the last day of the month following the last month of the quarter, you must file your wage report and pay your taxes. Should a due date fall on a weekend or holiday, any mailed payment and wage report may be postmarked by the following business day.

Tax Due Date Calendar

Quarter	Months When You Paid Wages			Due Date
Quarter One (Q1)	January	February	March	April 30
Quarter Two (Q2)	April	May	June	July 31
Quarter Three (Q3)	July	August	September	October 31
Quarter Four (Q4)	October	November	December	January 31

File Quarterly Wage Reports and Pay UI Taxes on Time

Proper payment of UI taxes helps the stability of the UI Trust Fund which benefits employers and workers in the state. Prompt, accurate wage reporting by employers helps determine claimant eligibility and helps avoid improper payment of benefits. Failure to report wage information and pay UI taxes on time may result in penalties and interest. This may also increase your federal UI tax liability.

Three Ways to Pay Your Taxes

Choose the way that is best for you!

Online: uitax.dew.sc.gov

For the most convenient and fastest service, our online State Unemployment Insurance Tax System (SUITS) offers immediate account accessibility and streamlined business processing with the capability to:

- Submit online registrations and changes to obtain liability determinations
- Utilize online tools to file wage reports and submit tax payments
- Access account history
- Maintain an account in real time
- Communicate with a DEW representative
- Register as an employer or agent
- View employer rate history
- Report wages and make payments
- File an appeal

If you do not have an account number and need to register for an account with DEW, please visit uitax.dew.sc.gov to create an account.

Visit dew.sc.gov/employers/suits to see Frequently Asked Questions (FAQ) about using SUITS.

Use the Adding and/or Modifying a Contact tutorial the located under "How Do I Add or Modify Contact Information" in the SUITS FAQ section to learn how to update user information. It is very important to provide current, up-to-date information to DEW.

Set up access for Third Party Agents (TPAs) and employer accounts:

If you have a Third Party Agent (TPA) you can also set up an online account for them through the Employer Self-Service (ESS) portal. During this process, the Written Authorization Form 1010 must be submitted. You can find the form in the Employer Resources tab and upload in SUITS.

Agents can submit a Memorandum of Understanding (MOU) to grant third-party access to manually add or modify clients. The purpose of the MOU between DEW and the recipient is to certify that the recipient has on file a signed authorization from each client employer for which access is being obtained through the SUITS agent portal that expressly authorizes and directs the recipient to pay and file UI contribution and wage reports on their behalf, to receive information about the employer's UI account, and to resolve tax questions or correspondence concerning the client employer's UI account. Agents may request the MOU in SUITS by clicking "Request Account Information MOU."

Following the authentication process, the TPA will be authorized to perform services according to the assignment. Once a TPA initiates a relationship in the system, there will be a limited time during which the TPA will be allowed to submit wages before the relationship is confirmed or fully approved; however, the wages may be removed later if the relationship is not confirmed.

It is imperative for current employers and agents to provide DEW with up-to-date Written Authorization Forms.

Videos Available

Available on YouTube.com/SCDEW:

Employers:

- How to Register a New Account
- How Do I Navigate My Account
- How Do I Maintain My Account
- How Do I Submit Payments

Agents/TPAs:

- How to Register a New Account
- How Do I Navigate My Account
- How Do I Maintain My Account
- How Do I Submit Payments

Guides Available

MOU Guides for Agents can be found here dew.sc.gov/employers/suits:

- Requesting and Submitting a MOU | (PDF)
- Adding Clients | (PDF)
- Removing Clients | (PDF)
- Frequently Asked Questions | (PDF)

The purpose of the MOU is to stand as an agreement between DEW and the requesting agent. The requesting agent certifies that they have a signed written authorization on file for each client/employer for which access is being obtained through the SUITS agent portal.

Mail:

Please mail paper quarterly reports and payments to the below address.

- S.C. Department of Employment and Workforce
- Contribution Section
- P.O. Box 7103
- Columbia, SC 29202

**Note that your payment must be postmarked by the due date. Additionally, mail is only an option if you are reporting fewer than ten employees. You must file online or through your TPA if you are reporting wages for ten or more employees.*

Quarterly Wage Information

Follow these guidelines to accurately report the required information about your employees' earnings.

1. Keep Complete Records

   Keeping employment records as required by law is important for auditing purposes. You must keep the following information on file for each employee for at least five years after the quarter in which they were employed by your business:

   - Name
   - Full Social Security Number (SSN)
   - Dates of employment
   - Basis of pay (e.g., hourly, monthly)
   - Location of work
   - Beginning and ending dates of each pay period
   - Daily record of hours worked
   - Gross pay for each pay period
   - Reasonable cash value paid in any medium other than cash
   - Date hired, rehired, or returned to work after temporary layoff and the date and reasons job was lost
   - Payroll deductions for each pay period
   - Copies of independent contractor agreements and invoices

2. When to Submit your Wage Report – Quarterly!

   All wages must be reported for the quarter you paid your employee. See the Tax Due Date Calendar for specific deadlines.

   Reminder: Wage Reports must include the:

   - Employee's name
   - Social Security Number
   - Standard Occupation Classification (SOC) code
   - Hours worked
   - Total wages

3. How to Calculate Wages

   All wages must be reported for the quarter you paid your employee, along with hours worked. Do not report fractions of hours – round up to the next whole number.

   For example, you should report ten hours if an employee worked 9.75 hours.

   Wages Include:

   - Salary, commissions, bonuses, and value of gifts before deductions
   - Compensation paid in lieu of cash
   - Tips that are reported for federal income tax purposes
   - Vacation and holiday pay
   - Severance pay or pay in lieu of notice
   - Employees' entire gross pay if they share the cost of a 401(K) or cafeteria plan through salary reduction
   - Meals and lodging – if you require an employee to eat and live on site and the total value of meals and lodging is 25 percent or more of total compensation (value plus salary)

Standard Occupational Classification (SOC) Codes – The federal standard used to classify workers into the specific category that best matches their job.

Severance pay – Money paid to an employee in addition to wages and any other money that employers owe employees when their employment ends, such as through mass layoffs. Severance pay may also be called separation, termination, or final pay.

Can I continue to submit paper reports?

Yes. While the ESSP will be the preferred method for all customers, DEW will accommodate employers who will not be able to transition to electronic filing by the implementation date by accepting paper forms for employers with fewer than ten employees to ensure the timely processing of quarterly filings.

Every employer with ten or more employees must file their wage reports electronically, as required by law (Section 41-31-160), in a format approved by DEW.

Videos Available

Available on YouTube.com/SCDEW:

Employers:

- How Do I Submit Wage Reports
- How Do I Amend Wage Reports

See page 25 for explanations of UI terms.

Wages Do Not Include:

- Sick leave (if you have a qualified plan)
- Jury duty pay not reported for federal income tax purposes
- Death benefits
- Employee exercised stock options

4. How to Submit Your Wage Report

   Every employer with ten or more employees must file their wage reports electronically, as required by law (Section 41-31-160), in a format approved by DEW.

5. Reply Promptly to Requests for Employment and Wage Data

   Complete and return requests for information by the deadline or number of days specified on the form. The information is used to determine whether your former employees should receive UI benefits, and if so, in what amount.

   If you do not provide a timely and accurate response in the format requested, your employer account may be charged for benefits that your former employees were not entitled to receive.

   By providing our agency with the requested information, you can help keep UI costs as low as possible.

6. Report all new hires to the South Carolina New Hire Reporting Program

   The New Hire Reporting Program is a database administered by the South Carolina Department of Social Services (DSS) and is used by DEW to identify individuals who are working and collecting UI benefits.

   Reporting new hires helps keep UI tax costs down by ensuring that only individuals who are eligible receive UI benefits. Become an active participant in preventing overpayment of UI benefits by reporting all your newly hired and rehired employees on the S.C. New Hire website.

7. Quarterly Wage Reporting Exceptions

   You are not required to report wages for noncovered employees. Please see the covered vs. noncovered employee section on page 6.

Businesses New to South Carolina

Business Registration Information

If you have employees in South Carolina, you must register with DEW using the SUITS Registration Wizard. Our agency uses the information you provide on the registration form to determine if your business is required to pay UI taxes, and, if so, your initial tax rate.

- State Law: Title 41, Chapter 27, Section 210

Employer – Any individual, partnership, association, corporation, governmental entity, or other type of organization (including non-profits, religious organizations, and agricultural entities) which has in its employment one or more individuals performing services within its respective state (South Carolina).

What information is needed to complete the registration process?

- Contact Information: Who is the person DEW should contact with questions about the account?
- The date wages were/will be first paid for services performed in state
- Type of employment
- The Federal Employer Identification Number (FEIN)
- The business entity type (Ex: corporation, partnership, etc.)
- The legal and trade or Doing Business as (DBA) name for the business
- The state in which the business was formed
- The date of formation or incorporation of the business
- Business owner or officer information, including SSN and owner home address
- 501(c)(3) and/or corporate charter if applicable (must be in PDF or Microsoft Word .docx format to upload)
- Acquisition details, if applicable
- Full address of where the work is performed in South Carolina
- Number of employees in South Carolina

Be sure to avoid these common mistakes:

- Entering the number of employees incorrectly
  - If your business has multiple locations in other states, only list the employees that work in South Carolina
- Entering an address with an incorrect state and/or zip code
- Entering an address not located in South Carolina
- Not disclosing acquisition details, if applicable

Third-Party Agent

Some employers utilize a Third-Party Agent (TPA) to help them fulfill UI program reporting requirements.

If you elect to engage a TPA, be sure they are familiar with the requirements by viewing and reading the resources available at dew.sc.gov/employers/suits under "Agent/TPA."

Remember, even if you have given a TPA permission to work on your company's behalf, you are still ultimately responsible for ensuring they accurately fulfill the UI program reporting requirements.

What are the liability provisions for each business entity type?

- General: $1,500 paid in a quarter or one employee for 20 weeks
- Nonprofit: Four employees for 20 weeks in a calendar year (these do not have to be the same employees or consecutive weeks)
- Domestic: $1,000 paid in a quarter
- Agricultural: $20,000 in a quarter or ten employees for 20 weeks in a calendar year

Does South Carolina recognize Professional Employer Organizations?

No. South Carolina does not recognize Professional Employer Organizations (PEOs), each employer is responsible for their own account.

A new business is required to submit the registration regardless of if they acquired an existing business or are a brand-new business.

If a business acquires an existing business, then they should report this information during the registration process.

You asked. We Listened!

Did you know that one of the best features of SUITS is DEW's ability to update and upgrade according to user experience and feedback?

By request, we've added the Download Center, now located on the bottom left hand side of your SUITS agent portal, the Download Center includes Client Details, Rate Details, Outstanding Dues & Credit Balance Details, Wage & Delinquency Details, Debt Details, and Wage File Submission Details.

Read more details about using the Download Center by visiting dew.sc.gov/employers/suits.

Videos Available

Available on YouTube.com/SCDEW:

Agents/TPAs:

- How Do I Submit Wage Reports
- How Do I Amend Wage Reports

See page 25 for explanations of UI terms.

Other scenarios

Refusal of an Offer of Suitable Work

To remain eligible for UI benefits, claimants must be able to work, available to work, and actively seeking work. If you offer employment to an individual who refuses your offer of work, you must notify DEW as quickly as possible. Use Offer of Work Form (UCB-261) to provide the date and details of the work offered, or you can report this through the ESS portal.

If DEW determines that an individual refused suitable work, they are no longer eligible to receive UI benefits. By notifying our agency of such a refusal, you can help to control UI costs.

Employees Who Work in Two or More States

If your business has employees who work in more than one state, you may need to report wages to another state. The following questions, applied in the sequence shown, can help you determine which state wages should be reported to:

1. Is most of the employees' work performed in South Carolina with only minor or temporary tasks performed outside of the state? If so, report all wages to our agency.
   - If not, contact the state in which the services are performed.
2. If employees do not perform most of their work in one state, do they perform some work in the state where their base of operation is located? If so, report their wages to the state where the base of operation is located.
   - If they do not have a base of operation, consider the next question.
3. If there is no base of operations, do employees provide services in the state from which their work is directed or controlled? This is the location where basic authority resides and general control comes from (such as a corporate or regional office), rather than the place at which they are supervised. If employees provide services in the state from which the work is directed or controlled, report their wages to that state.
   - If not, consider the next question.
4. If the employees do not perform any services in the state from which their work is directed or controlled, do the employees perform some work in the state in which they live?
   - If so, report their wages to that state.

For questions about whether specific types of payments are considered wages, you can log into your SUITS portal to communicate with a DEW representative.

Employees Who Work Internationally

If your business employs US citizens who perform work outside of the United States, those wages must be reported to South Carolina for UI purposes if:

- The work is not covered by any other state, Canada, or the Virgin Islands, **AND**
- Your principal place of business is in South Carolina.

Base of Operation – A location from which employees usually start and return to work.

Did you know that SUITS automatically calculates out of state taxable wage to ensure proper reporting and correct application of credit?

SUITS will still continue to accept, calculate and process South Carolina reported wages for excess and taxable balances requiring no corrective action related to out of state wage reporting to complete the required quarterly wage reporting. The error notification will allow you to review and determine if individual employees are multiple state employees. If they are, once you identify the proper state for reporting, you can submit adjustment reports to correct the duplication of taxable wages in multiple states on the same individual for unemployment reporting.

Additional material about South Carolina's out of state wage credit and multi state reporting can be found at dew.sc.gov/employers/suits.

Did you know that the Download Center, located on the bottom of the left-hand menu of "Your Options" of CPA/TPA SUITS accounts, allows users to download reports from the SUITS portal to an Excel spreadsheet?

Account information can then be viewed and tailored to help you do business more efficiently and effectively for your customers.

An overview of options can be found at dew.sc.gov/employers/suits.

Your Role in Controlling UI Costs

Your actions can have a direct impact on the amount of UI taxes your business pays. Here are some ways you can help control UI costs:

1. Report the reason for employee separation quickly and accurately.
2. Notify DEW of changes to your business.
3. Attend appeal hearings.
4. Report new hires and rehires.
5. File quarterly wage reports and pay UI taxes on time.

Penalties and Interest

You must file complete and accurate tax and wage reports every quarter. You may be charged penalties and interest if your tax and wage reports and payments are late, incomplete, or in an incorrect format.

COMMON MISTAKES TO AVOID

Here are some common reasons that employers may be charged penalties and interest:

- Failing to register with DEW.
- Filing wage reports late.
- Paying taxes late.
- Failing to keep employment records.
- Leaving the SSN field blank for at least one employee on a quarterly report.
- Including duplicate or impossible SSNs (such as 999-99-9999) in your quarterly wage report.
- Filing a paper report when the law requires filing electronically.

PENALTY AMOUNTS

State law sets penalty amounts for employers who fail to comply with UI program requirements.

Late Filing of Quarterly Wage Reports

You must file a quarterly wage report every quarter, even if you do not have payroll.

A late filing penalty of ten percent of the contributions due will be charged to your account for each report that is not filed on time.

Late Payment of UI Taxes

A one percent interest charge on the unpaid contributions due is assessed monthly.

Returned Payments

There is a $25 penalty for UI tax payments that are returned due to insufficient funds, when there is not enough money in your checking account to cover the UI tax payment.

Waiver Requests

Employers can request a waiver of penalties by submitting a request for account information in their SUITS portal. All waiver requests are assessed on a case-by-case basis with the burden of proof placed on the employer. Be sure to include all relevant facts, accompanied by available proof.

Separation – When an employee or employer ends the working relationship. This can be due to a quit, discharge, leave of absence, suspension, or layoff.

Burden of Proof – The necessity or duty of affirmatively proving a fact or facts in a dispute on an issue raised between the parties in a matter or cause.

Qualifying for the FUTA Tax Credit

Payment of state UI taxes when due will maximize your FUTA credit on its federal tax returns. If you pay your state UI taxes for prior years on or before February tenth, it is entitled to a credit of 5.4 percent against the FUTA tax, which is usually 6.0 percent of the first $7,000 of each employee's annual wages. Any questions about FUTA should be addressed to the Internal Revenue Service (IRS).

See page 25 for explanations of UI terms.

OVERVIEW AND YOUR ROLE IN THE UNEMPLOYMENT INSURANCE BENEFITS SYSTEM

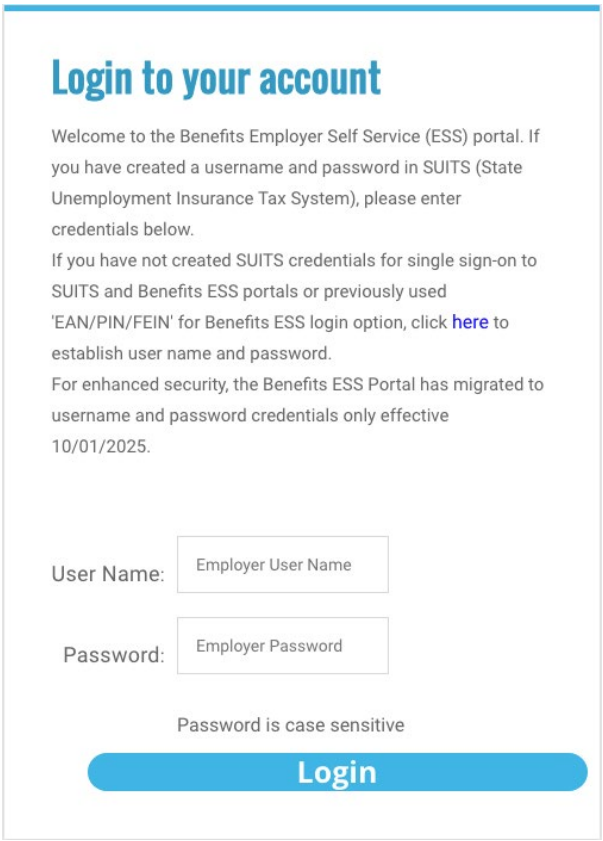
UI is a program designed to provide temporary income to workers who lost their jobs through no fault of their own – such as a layoff, plant closure, or lack of available work. Benefits are not available to all workers. Employers support these individuals through the state's UI tax system. In this section, we will take a look at some of the details of what happens when workers experience a layoff.

Overview of the Benefits System and Your Workforce

DEW's employer benefits system, the Employer Self-Service (ESS) portal, allows you to process workforce data including filing on behalf of your employees when appropriate and responding to employee separations, appeals, and more.

A quick link to the ESS portal is located in one of the round buttons on the homepage of dew.sc.gov.

There is also a library of tutorials and videos to help you with each action in the ESS portal. These resources can be found on the DEW website under Employer Filed Claims.



Tech Tip: Internet Explorer is no longer a supported web browser. This means that DEW applications, including SUITS, will not operate properly on the Internet Explorer Browser. Please use the Chrome, Edge, or Firefox browser to access DEW applications.

There is also a library of tutorials and videos to help you with each action in the ESS portal. These resources can be found on the DEW website under Employer Filed Claims.

Your Role in Benefit Procedures

Help us help you!

Employers must provide DEW with all employment information needed to accurately administer the law. We use the employment information you provide to make UI eligibility determinations for your former employees.

Eligibility Determinations

Report Employee Separation Details

When one of your former employees files a claim for UI benefits, DEW will send you a request for separation information via your preferred method; SIDES, ESS, or paper copy. We use the information you provide to determine whether the claimant is eligible for UI benefit payments. Some former employees falsely report that they were laid off to fraudulently claim UI benefits. If you fail to respond to our request for information, it is more challenging for DEW to identify these fraudulent claims.

In response to our request for separation details, you must provide the reason the individual is no longer employed by your business within ten days.

Common separation reasons include:

- Discharged, fired, or terminated from job
- Layoff, lack of work, or business closure
- Quit
- Student or starting school
- Personal leave of absence
- Suspended or on administrative leave
- Was asked to resign
- Seasonal employee between terms (e.g., school employee, etc.)
- Work not available due to a labor strike at the job location
- Retired

Help Prevent Overpayments

DEW uses the separation information you provide to help determine if the claimant is eligible for UI benefits. Failure to provide the requested information may lead to an overpayment or an erroneous charge to your employer account.

How Are Charges Calculated?

If the claimant is eligible, information from your quarterly wage reports is used to determine the Weekly Benefit Amount (WBA) the claimant may receive, up to a Maximum Benefit Amount (MBA). This amount varies based upon how long the claimant worked for you and how much they were paid in wages. The maximum amount of benefits a claimant can receive per week is $350.

Eligibility Determinations

1. An eligibility determination is sent to the employer.
2. Employers have ten days to file an appeal if they don't agree with the eligibility decision.
   a. What does that mean? When would an employer disagree with an eligibility determination?
   b. This means, that they do not agree that the employee listed in the determination should, in fact, get unemployment insurance.
   c. If the employer does not appeal the eligibility determination within the ten-day window, our agency will begin to process the claim, and the employer will be charged.
   d. To keep from being charged for former employees who may not be eligible for benefits, employers must respond quickly when they receive an eligibility determination.

Refer to the appeals process for more details.

1. At the end of each quarter, employers receive a benefit charge statement. This statement includes the individuals and the benefits charged against their account for that quarter.
2. An employer has 30 days to file a charge protest if they don't agree with the charges on the benefit charge statement.

Here are some things to look for:

1. Did the employee get a job somewhere else?
2. Did the employer hire them back?
3. The employer doesn't recognize the name so they need to be removed because they didn't work for the employer. (This can happen, for example, when an individual files a claim, but uses the wrong business address in the system.)

Remember: By promptly providing DEW with the necessary information, you can help to ensure proper determination of claimant eligibility and keep UI costs down.

See page 25 for explanations of UI terms.

Review Quarterly Summary of Benefit Charges

At the end of each quarter, every business receives a copy of all UI benefits charged against their account for that quarter. Please review all benefit charges carefully. All benefit charges will affect your unemployment tax rate the next time it is calculated. If you disagree with any of your benefit charges or find any errors, you must protest the charges within 30 days of the date of notice. You may submit your protest online using the Employer Self-Service portal.

If additional information is needed, DEW will contact you. These are the most common items employers identify:

- Individuals who were never employed by their business
- Individuals who were previously employed by a business but were fired for misconduct or voluntarily quit their job
- Former employees who appear to be receiving more UI benefits than their expected entitlement

Appeals

When a former employee files for unemployment benefits, DEW investigates the claim. We will contact you and your former employee about the separation and then issue a determination letter of the initial findings as discussed in the previous Eligibility Determination section. The letter will list any points of law DEW considered in making the determination.

If you object to a claimant being paid benefits or take exception to any of the charges, you may appeal online using the Employer Self-Service portal. Appeals must be filed within ten calendar days of the mailing date listed on the notice being mailed. For more information about the appeals process, visit the appeals page on dew.sc.gov.

Each determination letter contains detailed appeal rights and information, so make sure to read this information thoroughly. Your former employee, or any employer whose unemployment insurance tax account is affected by your claim, can also appeal the determination. If you disagree with the decision made after an appeal, you can appeal further to the Appellate Panel. You must file your appeal within ten calendar days of the mailing date listed on the appeal decision.

There are two phases of the appeals process:

1. Notice of Appeal to Appeal Tribunal: This appeal may be filed after the determination has been made by a Claims Adjudicator. If a decision is made about a claim and either the individual or the employer does not agree with the determination of the claim, they each have ten days from the mailing date listed on the determination letter to file their appeal. If the tenth day falls on a weekend or recognized holiday, the appeal period extends to the next business day.
2. Application for Leave to Appeal to the Appellate Panel: Once the Appeal Tribunal has communicated their decision, if someone disagrees with the decision, they can file a second appeal. Again, they have ten days from the mailing date of the Appeal Tribunal determination letter to file the appeal. If the tenth day falls on a weekend or recognized holiday, the appeal period extends to the next business day.

To file an appeal login to the Employer's Self-Service portal.

If an appeal hearing is scheduled, it is important for you to attend. Failing to come to an appeal hearing may result in a decision being made based solely on the facts presented by your former employee. Your participation in the appeal hearing ensures that all facts are presented by both sides.

Here are two examples of situations in which you may need to attend an appeal hearing:

- You filed an appeal related to a former employee's UI eligibility. For example, your business terminated an employee who was repeatedly late to work. Then that employee filed a claim for UI benefits stating that they were laid off due to lack of work. In this situation, if you win the appeal, the claimant will **NOT** receive UI benefits.
- A former employee who was denied benefits filed an appeal. For example, a former employee of your business who did not earn enough wages to qualify for UI benefits is claiming that they earned more wages than were reported by your business. In this situation, if the claimant wins the appeal, the denial will be over-turned, and the claimant will receive UI benefits, if no other disqualifying conditions exist.

If you have general questions about the appeals process or how to prepare for an appeal hearing, call 1.866.831.1724.

Notify DEW of Changes to Your Business

Notify DEW if there are any changes to your business, including:

- A new business address | (PDF)
- Changes to the ownership or legal entity associated with your business | (PDF)
- Your business has closed or no longer has employees | (PDF)
- Change to contact information or key staff | (PDF)

Tired of paperwork? Make changes to your Unemployment Insurance tax account online with SUITS!

Employer Filed Claims

Employers who have a temporary shutdown, are experiencing a slow or smaller workload than normal, or have temporary or seasonal work can request permission to file claims on their workers' behalf. These are called Employer Filed Claims.

You are allowed to file up to six weeks for your affected employees and your employees are exempt from work search requirements during those six weeks.

You are required to report any earnings the employee may have received from you or any other employer during the week filed. You also must submit an electronic file to our department each week you wish to file by using the Employer Self-Service portal. The claim must be submitted after the week of layoff is over but

within 14 days of the claim week ending date.

Additionally, you must provide the Notification of the Availability of Unemployment Insurance Benefits form to an employee upon separation from employment.

Visit dew.sc.gov/employers/employer-filed-claims for helpful links and forms.

Audits

Federal law requires that DEW conduct payroll audits on active employers each year. Audits help to ensure employers are reporting accurately and paying the correct amount of UI taxes in a timely manner. This helps keep charges and taxes as low as possible for businesses.

There are two types of audits: audits for businesses to ensure that tax payments and claims are compliant, and audits for claimants, for which our agency needs help from the business community to determine that claims are paid out properly.

Your Responsibilities During an Audit

If your business is selected for an audit, you are responsible for being prepared and cooperative. This includes producing the following records, as requested:

- Employment and payroll records
- Check registers, check books, canceled checks, and bank statements
- Journal ledgers/general ledger
- Corporate minutes
- Vendor lists/vendor files
- Cash payment records
- Annual financial statements (income and expense reports, balance sheet, etc.)
- Federal and state income tax returns, including forms such as 1099, W-2, W-4, Form 940, and Form 941
- Non-payroll payments to individuals, such as invoices, contracts, receipts, etc.

Your Rights During an Audit

- All employers have the right to be treated fairly throughout the audit process.
- You have the right to be approached without bias or prejudice. Just because you are being audited does not mean you are noncompliant.
- You or your designee have the right to receive a report stating the audit findings, as well as the facts that led to the determination.
- You have the right to appeal (or protest) the findings of the audit if you disagree.

Potential Outcomes of an Audit

At the conclusion of the audit, DEW will inform you if:

- You comply with UI program requirements, or
- You previously overpaid taxes and are due a credit or refund, or
- The results show you owe additional taxes. In this situation, we provide details of the findings, including taxes, penalties, and interest owed. We also advise you how to report correctly in the future and discuss your payment options.

Your Role in Claimant Audits

Employers play a vital role in ensuring the accuracy and integrity of South Carolina's Unemployment Insurance (UI) program. When the DEW conducts audits — such as those generated by new hire cross-matches, tips or leads indicating potential fraud, or federal Benefit Accuracy Measurement (BAM) reviews — employer participation is essential. These audits require DEW to verify information related to wages, employment dates, separation reasons, and other factors that determine a claimant's eligibility for benefits. Timely and complete responses from employers allow DEW to make accurate decisions and uphold the fairness and reliability of the UI system.

DEW may request information related to these audits through several channels, including secure online questionnaires available in the Employer Self-Service portal, telephone outreach, mailed notices, or email communication from authorized DEW representatives. Each request will include clear instructions on the type of information needed and the deadline for submission. Employers should always follow the specific instructions provided to ensure that the information is received and processed correctly.

Failure to respond to DEW requests can result in avoidable financial impacts. If an employer does not provide needed information, DEW must make determinations based on the best available evidence, which may be incomplete. This can lead to improper benefit charges being applied to the employer's account. In addition, a lack of response may limit an employer's ability to appeal determinations or participate in further review.

Employer cooperation is also critical in supporting fraud detection and prevention efforts. Cross-match audits and investigations based on tips often identify situations where confirmation from the employer is necessary to verify whether an individual is currently working, has returned to work, or is accurately reporting wages. By promptly supplying requested information, employers help ensure that UI benefits are paid only to individuals who meet the eligibility requirements under South Carolina law. This protects both the employer's financial interests and the overall stability of the UI trust fund.

Responding to DEW inquiries is a straightforward but important responsibility. Employers who provide timely and accurate information help maintain a UI program that is fair, efficient, and accountable. Active participation in the audit process strengthens the system for all stakeholders and supports DEW in our efforts to properly administer the UI program in South Carolina.

See page 25 for explanations of UI terms.

Unemployment Insurance Fraud

Fraud within the unemployment insurance system can happen in three ways:

- Claimant Fraud: When an individual inaccurately reports their employment status or personal information in order to receive UI benefits for which they are not entitled.
- Employer Fraud: When a business does not accurately report information for their workforce, does not respond to regular reporting requirements, or misrepresents information for tax purposes.
- Identity Fraud: Where a fraudster tries to claim UI benefits using another person's information to take on their identity.

In this handbook, we will be addressing Employer and Identity fraud and a business' role in helping prevent it.

Types of Employer UI Fraud

Employer fraud can happen in many different ways. Some of the examples may be mistakes on the part of an employer, but a business can still be penalized and fined. In addition, employers who use a Third-Party Agent will still be liable if the TPA reports information fraudulently.

Some examples of employer fraud include:

- Helping another person file a false claim.
- Paying employees secretly, off the record, off the books, under the table, or not properly reporting their wages to DEW.
- Not reporting when you hire new employees.
- Reporting incorrect start dates for employees
- Misclassifying workers as independent contractors to avoid paying UI contributions.
- Failing to report or inaccurately reporting employee wages.
- Shifting workers between employer payrolls to use a lower UI contribution rate.
- Providing false information to prevent a claimant from getting benefits.
- Failing to pay UI taxes, or intentionally paying at a lower rate.
- Failing to file reports on a timely basis.

Let's explore some of those examples with more specific information.

Paying Workers Cash or "Under the Table"

The underground economy refers to employers who deal in cash (pay their employees "under the table") or use other tactics to conceal their activities and true tax liability from government agencies. The underground economy includes tax evasion, fraud, cash pay, payments under-the-table, and payments off-the-books.

Employers who are found to be operating using the underground economy may be subject to taxes, interest, and penalties.

Misclassifying Workers

Misclassification occurs when an employer classifies workers as independent contractors, even though they are employees. Misclassification hurts workers during a layoff because they are not eligible for UI benefits. Employers who misclassify their workers may be subject to taxes, interest, and penalties.

State Unemployment Tax Act (SUTA) Dumping

SUTA dumping refers to tax evasion scheme where employers move payroll between different employer accounts to get a lower tax rate. This causes tax shortages to fall upon honest employers who report and pay their taxes correctly. Federal law requires substantial penalties for individuals who engage in or promote such illegal schemes. Offenders can be charged a fine, in addition to all taxes due.

Misreporting Information

If you knowingly misrepresent the amount of your payroll on your quarterly tax and wage reports, it is considered UI fraud, and you could be charged penalties.

Types of UI Identity Fraud

Individual Identity Theft

Identity theft is on the rise in both the private and public sector. The growing problem of committing unemployment fraud using stolen IDs not only affects the victims – those who have had their personal information compromised – but it also can have a negative effect on an employer's tax rate.

Identity theft occurs when someone uses another person's information to take on his or her identity. Identity theft can include wage and employment information as well as credit card and mail fraud. In the case of unemployment benefits, it could mean using another person's information such as name, Social Security Number and employment information.

As employers, you can help save millions of dollars in fraudulent payments by identifying suspected fraud. In many cases, you may be the first to have information that unemployment fraud is occurring. Promptly respond to any request for information from DEW if you suspect any fraudulent activity.

Employer Aiding and Abetting

An employer aids and abets a fraudulent claim if the employer assists or conspires with a person to make a false statement or misrepresentation about their identity or their employment status.

Fictitious Employer Schemes

Fictitious employer schemes occur when fraudsters take over an inactive employer account and misuse it to collect UI benefits for individuals who are not entitled to those benefits. To help avoid this type of fraud, it is important to keep your account information up to date and notify DEW if your business has closed or no longer has employees. To update contact information or to deactivate an employer account, please log into your SUITS account.

Your Role in Preventing Fraud

The most important thing for you to do is report information and wages accurately. If you intentionally make false statements or hide information to reduce your UI tax liability, you are committing fraud.

If you are confused about what you are supposed to do or report, call 1.866.831.1724 or send a request for information through your SUITS account for clarification. We are here to help!

You can help prevent fraud by:

- Using the online Social Security Number (SSN) verification service to verify that every new employee's Social Security number matches the Social Security Administration records.
- Thoroughly reviewing all correspondence, you receive from DEW. If the person listed never worked for you, has not had their hours reduced, or still works for you full-time, contact us immediately.

Reducing fraud helps control UI costs and lower tax rates.

Report Suspected Fraud

If you are aware of an employer who is committing UI fraud, please report it. Your identity will be kept confidential.

You can report fraud online at reportfraud.ftc.gov or through our toll-free Fraud Hotline at 1.800.868.1488(Tips) about possible fraud are pursued by our team of Investigators.

How Can Employers Avoid Committing Fraud?

Proper Classification of Workers

- For the purpose of UI, an employer must classify its workers as either employees or independent contractors. Employers are required to pay UI tax on employees' earnings but not on independent contractors. In the event a worker is misclassified as an independent contractor, taxes will not have been paid and the worker's wages will not have been reported. A wage and liability investigation of the employer would be initiated by DEW to determine proper classification. If misclassification is determined, the employer may be liable for payment of all back taxes, with interest and penalties.

Review Quarterly Statements of Benefit Charges

- At the end of each quarter, most employers receive a copy of all UI benefits charged against their account for that quarter. Please review all benefit charges carefully. Benefit charges will affect your UI tax rate at a later date. If you disagree with any of the benefit charges or find any errors, you must protest the charges within 30 days of the date the notice is mailed. You may submit your protest online using the Employer Charge Protest Portal.

Report All New Hires to the South Carolina New Hire Reporting Program

- The New Hire Reporting Program is a database administered by the S.C. Department of Social Services (DSS) and used by DEW to identify individuals who are working and collecting UI benefits.
- Reporting new hires helps keep UI tax costs down by ensuring that only individuals who are eligible receive UI benefits. Become an active participant in preventing overpayment of UI benefits by reporting all of your newly hired and rehired employees on the S.C. New Hire website.

Respond to Notice of Claim Filing and Request for Separation Information

- When a former employee files for UI benefits, you have the opportunity to supply information to DEW regarding the reason the individual is now unemployed. You must respond to DEW within ten calendar days of receiving the notification in order to prevent a former employee from wrongfully receiving UI benefits. For more information on how to respond to a separation request visit page 14.

Respond to Wage Audit Notices

- Each week DEW cross-checks wage and new hire databases with the UI benefit recipient database in order to identify individuals who may have improperly received UI benefits while being employed. Claims with potential for conflict are audited via Wage Audit Notices that are sent to the current employer of the individual in question. Wage Audit Notices should be completed and returned within ten calendar days. Read more about Wage Audit Notices on page 17.

Provide Accurate Wage Information

- Providing DEW with accurate wage information for your workers ensures that individuals are paid the correct amount of UI benefits.

Refrain From Engaging in Tax Manipulation Schemes

- Under the experience-rated system, employers pay UI taxes at rates proportionate with claims activities by their employees. Employers with high UI activity pay higher UI tax rates, and employers with lower activity pay less. Employers who engage in SUTA Dumping or other tax manipulation schemes to avoid paying their fair share unfairly shift their costs to other employers.

DATA

DEW's Labor Market Information (LMI) division works with the U.S. Bureau of Labor Statistics and the U.S. Census Bureau, making us the official source for this information throughout South Carolina. The labor force research conducted by our agency gives insight to employers and jobseekers to make informed workforce-related decisions.

Priority Occupations

The Priority Occupations list, published by the South Carolina Coordinating Council for Workforce Development (CCWD), informs citizens and policymakers about the most critical occupations to our state's current and future workforce needs. These Priority Occupations, updated annually, highlight where the current and/or future needs exceed the supply of available workers. Priority Occupation outreach materials also aim to educate jobseekers about the expected day-to-day job activities they may encounter in these fields.

The Priority Occupations list reduces more than 800 occupations collected by the federal Bureau of Labor and Statistics (BLS) into a usable format while still accounting for all the diverse industries in South Carolina.

Priority Occupations are identified based on current demand, projected growth, viability, and retention. These jobs are in high demand and forecasted to become essential, thriving careers with untapped potential. See the full list of Priority Occupations categorized by career clusters below. Learn more about some of these occupations by viewing job flyers available on Explore SC@Work.

Save the LMI homepage in your favorites as your one-stop shop for the most current, most relevant data and analysis on the state's workers, industries, and economy!

STANDARD OCCUPATIONAL CLASSIFICATION (SOC) CODES

Better Data. Better Decisions. Better Outcomes.

In 2024, South Carolina became one of the early adopters of a growing national trend to capture Standard Occupational Classification (SOC) codes from employers. This is part of the Statewide Education and Workforce Development Act, which improves the effectiveness of workforce development and responsiveness to industry needs by providing detailed real-time workforce information and analysis to decision-makers and the public.

Employers are required to provide SOC codes for their employees and the hours their employees worked when submitting quarterly wage reports. SOC code information entered by an employer is saved from quarter to quarter.

This publicly available data gives South Carolina businesses the advantage in hiring and building their workforce as the data is used by stakeholders to support education, training, infrastructure, childcare, transportation, and other factors that promote a robust and thriving workforce.

To support employers, DEW has two tools to help you look up the correct SOC code for your employees:

- OccuCoder
  - This lookup job code matching application allows you to enter the search job titles to find the appropriate SOC code.
- SOC Code Descriptions Page
  - This page on the DEW website allows you to quickly choose the area of work and then use the drop-down menu to see all the SOC codes and their descriptions in that category.

For a video tutorial visit: YouTube.com/SCDEW.

SOC Frequently Asked Questions

What are SOC codes?

Standard Occupational Classification (SOC) codes are the federal standard used to classify workers into the specific category that best matches their job. Each of your employees can be classified in one of 867 detailed occupations listed. SOC codes were first developed in 1980, and the current manual was published in 2018.

How are SOC codes structured?

The SOC is a tiered occupational classification system with four levels: major group, minor group, broad occupation, and detailed occupation. The 23 major groups are broken down into 98 minor groups, followed by 459 broad occupations, and finally 867 detailed occupations.

Why is this new reporting necessary?

This began as a national push to create a uniform way to name specific gaps in, and share information about, the worker shortage. The first step is to identify which occupations, defined as day-to-day job duties and responsibilities, have the most unfilled positions now or in the foreseeable future. To benefit quickly from this effort, South Carolina is among the first dozen states to implement these measures.

Before the SOC code reporting began, industries where employees were working were identified, but not the specific occupations. For instance, without SOC codes, workforce data considers all the following as healthcare industry workers: a medical doctor, a hospital receptionist, and a hospital cafeteria worker. Obtaining SOC codes lets South Carolina know the specific occupations making up the workforce and strategically invest in training and education to meet the needs of current and future businesses.

As South Carolina employers strive to find qualified workers, DEW will support K-12, higher education institutions, and credentialing entities, to prepare the workforce. DEW collects SOC codes and shares the data with the stakeholders in the workforce development pipeline – including the public – so that students and workers receive the skills needed to meet the demand. Employers who submit this data are making a long-term investment in their ability to find the workers they need.

How are “hours worked” related to SOC codes?

The number of hours an employee worked allows South Carolina to compare wages across occupations and even between regions of the state.

What number of “hours worked” should be entered into the quarterly wage reports for employees in salaried positions?

The number of hours on which the employee’s salary is based, regardless of the actual number of hours worked. For instance, if your standard work week is 40 hours, you would multiply the number of weeks your employee worked during the quarter by 40.

See page 25 for explanations of UI terms.

Why doesn't every job title have its own code in the SOC?

The SOC Manual is used to examine and organize millions of jobs and tens of thousands of job titles in the economy into occupations based on their similarities as determined by the classification principles. The organizing principle of the SOC system is work performed rather than job title, so there are many fewer occupation codes in the SOC than there are jobs in the economy. Simply choose the SOC code that best matches your employee if you don't find a SOC code that is an exact match.

What SOC code should be used for temporary workers?

Use the SOC code which corresponds with the highest skill level or education level among all the job tasks they do.

What SOC code should be used for employees who "wear many hats," performing different roles in their daily tasks?

Use the SOC code which corresponds with the highest skill level or education level among all the job tasks they do. If more than one SOC code fits, use the one in which they spend more of their time doing.

What is an example of how this information will be used?

The Coordinating Council for Workforce Development (CCWD) is a board made up of government agencies that are heavily invested in working together to support the workforce. By having better data about the jobs in the state, where they are, which industries hire which positions, etc., the CCWD can make better decisions about how to help employers and support the state's workers. There could be opportunities for education and training, transportation, childcare, and more.

Other groups such as economic developers, school counselors, and employers will also be able to use the information from SOC codes to promote South Carolina's prosperous and thriving economy.

I submitted a wage report without SOC codes. How can I amend it?

Please view the brief "How Do I Amend Wage Reports?" tutorial at YouTube.com/SCDEW that provides detailed instructions on how you can amend your wage reports.

Need more help or have other questions?

Here are two resources to assist you:

- Entering the SOC Code into your SUITS account.
  - If you need further guidance on how to enter the SOC into SUITS, you may log into your SUITS portal, available at uitax.dew.sc.gov, and submit an inquiry using the "Request for Information" link.
  - You can also call 1.866.831.1724 and select the option for employers (2-3-4) or for authorized agents (3-3-4).
- Choosing the right SOC code for the different jobs within your company.
  - Still have questions about which SOC code fits for a particular job? First, be sure to try
    - the Occucoder, an easy online tool that often quickly matches jobs with the SOC Codes.
    - If that doesn't help, you are welcome to schedule an appointment with a member of our LMI team online at dew.sc.gov/employers/SOC under "Need more help or have other questions?".
  - Find a PDF of the Bureau of Labor Statistics Manual at bls.gov/soc/2018/soc_2018_manual.pdf.

Employment Projections

DEW's Labor Market Information Division publishes employment projections by industry and occupation. These projections are available in both short-term (two-year) and long-term (ten-year) versions. Go to lmi.sc.gov/Data-Hub/Projections to search for the information you need.

Employment projections are a required deliverable of the Workforce Information Grant that DEW receives from the Employment and Training Administration within the U.S. Department of Labor. This is accomplished in concert with the Projections Management Partnership (PMP), which is a national consortium of DEW and its peer agencies that provides software and other resources to develop projections. For more information about projections, visit the PMP website at projectionscentral.org.

Workforce Development Programs

dew.sc.gov/workforce-partners/workforce-development-programs

Personalized Employer Plan (PEP)

If you are an employer that needs to find suitable candidates for highly specialized positions or needs help filling multiple vacancies to expand your business, experts at DEW and in the SC Works centers are ready to help you create a Personalized Employer Plan (PEP).

We work with individual employers to develop a hiring plan by working with the employer to determine the best approach for recruiting and identifying appropriate employees for the jobs. These plans include the job match program, virtual job fairs, recall assistance, and enhanced referrals.

These efforts are tailored to the employer and the plan created is a living document that is updated as the project or employer's needs evolve. Employers can receive assistance creating a SC Works Online Services (SCWOS) account, vetting resumes, hosting virtual or in-person hiring events, advertising on social media, conducting target marketing, securing direct referrals, find tax credits and financial incentives, and more.

Employer visits, which may be conducted on-site or virtually, allow DEW business consultants to perform a detailed business needs analysis. PEPs are for both short-term and long-term projects.

Contact BusinessConsultants@dew.sc.gov to start building your PEP.

STAYS Program

South Carolina is proud to be home to the eighth largest military retiree population in the United States. The STAYS Program encourages veterans to "**S**tay **T**o **A**pply **Y**our **S**kills" in the state by connecting them with employers for interviews through the SC Works system. STAYS employers understand that veterans and their spouses have transferable skills that may not appear on an application or resume but are demonstrated in interviews and in the workplace.

Are you a South Carolina employer ready to hire a veteran?

Visit dew.sc.gov/stays, or email STAYS@dew.sc.gov to contact our staff and learn how your business can participate!

Regional Workforce Advisors (RWAs)

S.C. employers enjoy direct support in connecting with the state's education and training pipeline. Through the agency's Regional Workforce Advisors, DEW provides a school-to-work bridge to facilitate the delivery of information, resources, and services to students, educators, employers, and the community. By working with school districts and institutions of higher education and connecting them with local employers, RWAs help bolster the states workforce by facilitating part-time and seasonal jobs for 14-to-18-year-olds. Regional Workforce Advisors are designated to coordinate and facilitate the delivery of information, resources, and services to students, educators, employers, and the community.

Primary Responsibilities of Regional Workforce Advisors:

- Facilitate local connections among businesses and those involved in education
- Provide services to students and adults for career planning, job searches, training, and other support functions
- Provide information, resources, and professional development programs to educators
- Provide information and resources to employers including, but not limited to, education partnerships, career-oriented learning, and training services
- Work with school districts and institutions of higher education to create and coordinate workforce education programs

RWAs are a part of the Employment Services Division within DEW, and work in conjunction with the Office of Statewide Workforce Development and the Coordinating Council for Workforce Development. Each Regional Workforce Advisor also has an Advisory Board comprised of local leaders in their region. There is one RWA located in each of the 12 Local Workforce Development Areas across the state.

Learn more at dew.sc.gov/rwa and visit dew.sc.gov/contact/rwa_contact to connect with your local RWA.

SC@Work: Rural Connections

Expand your recruiting reach through SC@Work: Rural Connections events! These events target jobseekers with barriers to employment, such as transportation, which would otherwise prevent them from accessing regional workforce development services. These efforts can include festivals, hiring and community events where employers can meet jobseekers, network with other employers, community leaders, and more.

Find out how your company can reach rural jobseekers at scworks.org/ruralconnections.

See page 25 for explanations of UI terms.

APPENDIX A – LEGAL DISCLOSURES

Data Sharing Agreement

Under state and federal law, government agencies may access private and confidential employment information when necessary for specific official purposes including, but not limited to:

- Verification of an individual's eligibility for other government programs
- Compliance activities
- Fraud detection and criminal investigations
- Research and evaluation of publicly funded employment and training programs
- Studies concerning growth management

Your Privacy Matters to Us

DEW treats any information shared with other agencies as private and confidential, subject to penalties. For additional information regarding confidentiality and public record disclosure, please visit dew.sc.gov/privacy-statement.

APPENDIX B – GLOSSARY

Allocated Tips – Allocated tips are most common in service industries, such as restaurants. These types of tips are reported to the IRS by employers, as opposed to workers reporting their own tips. Typically, employers use eight percent of gross receipts to determine allocated tips for each worker.

Appeal – A process for requesting a formal review of a prior UI decision.

Base of Operation – A location from which employees usually start and return to work.

Base Period – The window of time used to determine UI benefit eligibility. At the time an initial claim for benefits is filed, wages from the first four of the last five completed calendar quarters are reviewed to determine UI benefit eligibility.

Benefit Ratio – The total benefits charged against an employer's account during the applicable period divided by the employer's taxable payroll during that same period. A higher benefit ratio indicates a greater usage of the UI system and thus results in a higher tax class and tax rate.

Benefit Week – A seven-day period during which a claimant has an active claim. The benefit week begins on Sunday and ends at midnight the following Saturday.

Benefit Year – Also referred to as a Claim Year, this is the 52 weeks from the Claim Effective Date to the Claim End Date.

Benefits – The money given to eligible individuals who are unemployed due to no fault of their own.

Burden of Proof – The necessity or duty of affirmatively proving a fact or facts in a dispute on an issue raised between the parties in a matter or cause.

Claim Effective Date – The Sunday of the week in which an initial claim for benefits is filed.

Claim End Date – Also referred to as a Benefit Year End (BYE), this is the last Saturday of a Benefit Year. This falls 52 weeks after the Claim Effective Date.

Claimant – An individual (former employee) who files a claim for UI benefits.

Contributions – UI tax payments.

Cross-Matches – The automated comparison of data from various sources, including, but not limited to, UI claim information, employer account information, other agency data, etc., to detect potential fraudulent characteristics.

Determination – A document that explains a decision made by DEW staff regarding benefit eligibility for a claimant or the tax status of an employer. Determinations are based on state law and provide information on appeal rights. Sometimes referred to as an assessment.

Employee – Generally defined as any individual who performs services for an employer in an employer-employee relationship. In S.C., the common law rules govern the determination of an employer-employee relationship (South Carolina Annotated Section 41-27-230(1)(b)).

Excess Wages – Non-taxable wages an employee earns more than the current year's taxable wage base.

Experience-rated Employer – The UI program is an experience-based system which means an employer's UI tax rates are impacted by claims that have been paid to their former employees. Employers who have accomplished 12 months of liability are considered experience-rated employers and have their tax rates set based on their benefit ratio.

Federal Unemployment Tax Act (FUTA) – Federal law that levies a federal unemployment tax on businesses with employees. FUTA funds the federal share of the costs of administering state unemployment law. In addition, FUTA covers some administrative costs of job service programs, pays half the cost of extended unemployment benefits (that trigger during periods of high unemployment), and provides for a fund from which states may borrow to pay benefits temporarily when there are insufficient funds in the state's own UI Trust Fund.

Fraud – Knowingly claiming or accepting UI benefits illegally. Fraud is a crime.

Full-time Work – Working 30 or more hours per week.

Independent Contractor – An individual who performs services for an employer but falls completely outside of the common law rules that establish an employer-employee relationship.

Installment Payment Agreement (IPA) – A plan submitted to DEW by an employer that cannot pay the full balance due with their quarterly wage report. DEW reviews each request and approves, or declines based on all factors impacting the employer.

Gross Earnings – The amount of money paid for work before taxes and deductions are taken out.

Maximum Benefit Amount (MBA) – The maximum amount of benefits a claimant may receive during a benefit year.

See page 25 for explanations of UI terms.

Misconduct – Careless or deliberate behavior that results in an employee being fired or suspended from a job. Examples include dishonesty related to employment, unexcused absences, or violation of a company policy.

National Directory of New Hires (NDNH) – A national database used:

- To assist state child support agencies in locating parents and enforcing child support orders, and
- By UI programs to cross-match against claims to prevent and/or detect Benefit Year Earnings (BYE) errors.

Net Earnings – A worker's take-home pay, after taxes and deductions are taken out.

No Payroll Report – A quarterly report that indicates no payroll was paid in the quarter.

Penalty – An amount of money charged to an employer for improperly reporting information or failing to pay their UI taxes.

Quarter 1 (Q1) – January 1 through March 31

Quarter 2 (Q2) – April 1 through June 30

Quarter 3 (Q3) – July 1 through September 30

Quarter 4 (Q4) – October 1 through December 31

Queries – Within UI, queries are requests for data from a database or table, usually made by an investigator or adjudicator on a benefit claim that has been flagged by a cross-match or a watchful claims processor.

Professional Employer Organization (PEO) – A firm that provides a service under which an employer (client) can outsource employee management tasks, such as employee benefits, payroll, unemployment insurance, worker's compensation, recruiting, risk/safety management, and training and development. The PEO does this by hiring a client company's employees thereby creating a co-employment relationship with the client company.

Refund – Money given back to an employer for overpayment.

Reimbursable Employer – A non-profit organization or government agency that is billed (not taxed) for the UI benefits received by its former workers.

SC Works Online Services (SCWOS) – The state's largest jobs database where employers post available positions, search for top candidates, and review job market trends.

Separation – When an employee or employer ends the working relationship. This can be due to quitting, a discharge, leave of absence, suspension, or layoff.

Severance Pay – Money paid to an employee in addition to wages and any other money that employers owe employees when their employment ends, such as through mass layoffs. Severance pay may also be called separation, termination, or final pay.

Social Security Number (SSN) – A nine-digit number issued by the Social Security Administration (SSA) to identify an individual who may work or receive government services.

Standard Occupational Classification (SOC) code – The federal standard used to classify workers into the specific category that best matches their job.

State Unemployment Tax Act (SUTA) – A law that describes the state UI taxes imposed on employers. State UI tax laws vary by state and each state determines its own SUTA rate and rating methodology within the framework of the Federal Unemployment Tax Act (FUTA).

Taxable Wage Base – The maximum amount of wages subject to taxation for any employee paid by the same employer in a given year.

Third-Party Agent (TPA) – An organization that serves as an employee representative by managing administrative tasks, such as employee benefits or payroll processing, on behalf of another company.

UI – Unemployment Insurance, which is the benefit program for workers who become unemployed through no fault of their own.

UI Trust Fund – A fund established in the Treasury of United States into which UI contributions (taxes) are paid and from which UI benefits are paid.

Voluntary Quit – Resigning from or leaving one's job without being terminated. For UI purposes, an individual who voluntarily leaves his or her job without "good cause", as defined by state statute, is not eligible to collect UI benefits.

Weekly Benefit Amount (WBA) – The maximum amount of money a claimant is eligible to receive per benefit week.

Work Search – South Carolina requirement for individuals who are receiving unemployment insurance benefits. It is the simple act of reading two job posts each week while logged into their personal SC Works Online Services (SCWOS) account.

APPENDIX C – UI FORMS

Employer's Report of Change Form

This form allows the employer to add/remove owner/officer, add contacts that are NOT owner/officer, change any and all address types, report legal business name changes, business closure, report if business in S.C. resumes, report sale of business, change in FEIN or change in legal entity. – dew.sc.gov/sites/dew/files/Documents/Updated%20101S%20Form%2009%2025%202025.pdf.

Earnings Audit Form

DEW conducts Benefit Claims Investigation Audits to help ensure UI benefits are only paid to eligible claimants. If your business receives this audit form, you are required by law to complete it and return it ten calendar days. If you fail to return this form, you will be held liable for any improperly paid UI benefits. For more information, visit dew.sc.gov/employers/complete-wage-audit.

Employer Appeal Form

Use this form if you disagree with any determination letter which effects your unemployment insurance tax account. This could be a determination of eligibility for a former employee who filed for unemployment benefits or an administrative determination regarding the status, liability or rate of your tax account.

Use this form to file an appeal – dew.sc.gov/sites/dew/files/Documents/app-100%20(1).doc. Note that your appeal must be filed within ten days of the mailing date on the notice.

For more information, visit dew.sc.gov/unemployment-tax-information/appeals-process.

Offer of Work (Form UCB 261)

Use this form if you have offered an individual a job and they refused. – dew.sc.gov/sites/dew/files/Documents/UCB-261-%20Offer%20of%20Work%20Form%2C%20Rev.%204-24.pdf.

DEW will consider a written offer of suitable work, regardless of whether it was sent to the claimant by registered mail, certified mail, U.S. Mail, email or text message. DEW will consider a verbal offer of suitable work if an employer provides a sworn statement detailing the terms of the offer and attesting that the offer was made to the individual.

Separation Request

When a former employee files for UI benefits, you have the opportunity to supply information to DEW regarding the reason the individual is now unemployed. The two options to respond to a separation request is through the State Information Data Exchange System (SIDES) or the UI Benefits Employer Self-Service portal. Failure to respond to separation requests prevents DEW from making a proper determination on whether the unemployed worker is entitled to UI benefits. If the request is not completed by the date required, you will be held liable for any improperly paid UI benefits. For more information, visit dew.sc.gov/employers/employer-separation-response.

See page 25 for explanations of UI terms.

APPENDIX D – STATE INFORMATION DATA EXCHANGE SYSTEM (SIDES)

The State Information Data Exchange System (SIDES) is a free tool that allows employers to share information electronically and securely with DEW.

Benefits of SIDES

By using SIDES, you can:

- Receive an email notification of a claim being filed within 24 hours, allowing for additional time to gather needed information
- Reduce staff time, paperwork, postage costs, and lost forms
- Reduce follow-up time and phone calls
- Easily attach supporting documents to information requests
- Protect sensitive employer and claimant information
- Gain access to data checks that help ensure fully completed responses

Features of SIDES

The most common types of communication through SIDES include:

- Separation Information Exchange
- Sends a request for separation information to the employer after a claim for benefits is filed

Get Started Using E-Response

To begin using E-Response:

- Gather your company's Federal Employer Identification Number (FEIN) and State Unemployment Tax Account number
- Complete the SIDES registration in your ESS portal in SUITS
- Confirm your email address
- Receive your SIDES E-Response PIN

If your business uses a Third-Party Agent (TPA), Employee Leasing Company, or Professional Employer Organization (PEO), contact your representative before utilizing E-Response.

Thank you for reading.

As a reminder, please reach out to the S.C. Department of Employment and Workforce with any questions or concerns regarding the unemployment insurance program.

How to Contact Us

- Visit our Website
  - dew.sc.gov/employers
- Call Us
  - 1.866.831.1724 | Relay 711
- Visit our Certified Social Media Accounts
  - @scdewinfo (Twitter)
  - @SCWorksinfo (Twitter)
  - @scdew_info (Instagram)
  - @scdepartmentofemploymentandworkforce (Facebook)
  - @scdew (LinkedIn)

When you connect with us through social media, make sure you are selecting our certified page.

See page 25 for explanations of UI terms.

SOUTH CAROLINA DEPARTMENT OF
Employment and Workforce

1550 Gadsden Street
P.O. Box 995
Columbia, SC 29202

1.866.831.1724 | Relay 711