

**REPORT TO DETERMINE LIABILITY
UNDER THE UNEMPLOYMENT INSURANCE ACT**

IMPORTANT: Every newly created employing unit shall file this report within 30 days of the date upon which it commences business.

- 1. a. Employer Name _____
Doing Business As _____
- b. What is your primary business activity in Illinois? _____

- c. What is your principal product or service (Read instructions) _____ % Sales or receipts _____
_____ % Sales or receipts _____
- d. Business Address _____
(Actual physical location / Number & Street or Rural Route)

City/Town	State	Zip	County	Country	Telephone No.
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- e. If you want any correspondence sent to another address (other than the business address indicated above), please refer to the UI-1M, Special Mailing Form, included in this packet.
- 2. Enter any employer's account number previously assigned to you by the Illinois Department of Employment Security.

- 3. Identification number under which you file Federal Social Security Returns (Form 941) _____

- 4. a. Type of Organization (Check One): _____ Sole Proprietor _____ Partnership _____ Corporation
_____ Other (This includes Limited Liability Companies, Trusts, Associations, Receiverships.)
- b. If a corporation, date incorporated ____ / ____ / ____ State in which incorporated _____

- 5. Enter the required information for owner or each partner or officer:
- | Name | Title | Social Security No. | Residence Address | Residence Telephone No. |
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- 6. a. Date you first began employing workers in Illinois ____ / ____ / ____ Date you ceased employing workers in Illinois ____ / ____ / ____
- b. Date of your first payroll in Illinois ____ / ____ / ____
- 7. Did you acquire your Illinois business or any portion of it by purchase, reorganization or a change in entity; for example, a change from sole proprietor to corporation? _____ YES _____ NO. If yes, complete the form UI-1 S & P, REPORT TO DETERMINE SUCCESSION which is included in this packet. Please complete the remainder of the questions on this form as well.
NOTE: If you acquired your business by purchase, reorganization, merger, etc., you must complete the form titled REPORT TO DETERMINE SUCCESSION. Response to the questions on this form should reflect information relative to the operation of your business AFTER the date of acquisition.

QUESTIONS NUMBER 8 AND 9 APPLY TO DOMESTIC, AGRICULTURAL, OR NONPROFIT EMPLOYERS. IF YOU ARE NOT ENGAGED IN ANY OF THESE TYPES OF ACTIVITIES, YOU MAY SKIP THIS SECTION AND PROCEED TO QUESTION 10.

- 8. a. Indicate if you employed workers engaged only in _____ DOMESTIC SERVICE or _____ AGRICULTURAL LABOR.
Check whether you paid wages in any calendar quarter of the current year or preceding four years.
_____ \$1,000 for domestic workers _____ \$20,000 for agricultural workers
Circle the quarter and indicate the year when these wages were paid: Jan.-Mar. _____ (year), April-June _____ (year),
July-Sept. _____ (year), Oct.-Dec. _____ (year).
- b. If you are an agricultural employer, indicate the earliest quarter and year in which you employed 10 or more workers in each of 20 weeks (weeks need not be consecutive) _____
- c. Check if you expect to have an Illinois payroll of _____ \$1,000 or more for domestic workers or _____ \$20,000 or more for agricultural workers during the current calendar quarter.
- 9. Are you a nonprofit organization that is exempt from Federal income taxes under Section 501(c)(3) of the Internal Revenue Code?
_____ YES _____ NO. If YES, attach the federal exemption letter and check here _____ if you employed 4 or more paid workers in Illinois within each of 20 or more calendar weeks during the current or preceding four years. If checked, indicate the earliest quarter and year in which that 20th week occurred _____. Do you wish to be a reimbursable employer? _____ YES _____ NO.
If YES, a REIMBURSE BENEFITS IN LIEU OF PAYING CONTRIBUTIONS (UI-5NP) form will be mailed to you. You must complete this form and return it to this Department.

If you answered question 8 or answered yes to question 9, proceed to question 13. Otherwise proceed to question 10.

10. a. Have you had an ILLINOIS payroll totaling \$1500 or more in any calendar quarter during the current or preceding four years?
 _____ YES _____ NO.
 If YES, indicate the first year with a quarterly payroll of \$1500 or more _____
- b. Circle the quarter and enter the total wages paid in that quarter: January - March \$ _____ April - June \$ _____
 July - September \$ _____ October - December \$ _____
- c. Do you expect to have an Illinois payroll of \$1500 or more during the current calendar quarter? _____ YES _____ NO
11. a. Have you employed 1 or more workers in ILLINOIS within each of 20 or more calendar weeks during the current or preceding four years (weeks need not be consecutive)? _____ YES _____ NO.
- b. If YES, indicate the first year with 20 or more calendar weeks of employment _____ .
 Circle the quarter in which that 20th week occurred: April-June July-Sept. Oct.-Dec.
12. Have you incurred liability under the Federal Unemployment Tax Act (in any state) for any of the last 5 years? _____ YES _____ NO
 If YES, indicate the year(s) of such liability _____
13. Are there any persons not included in questions 11 or 12 who performed services for you, as an independent contractor or otherwise, received compensation of any kind from you or operated within your business establishment? _____ YES _____ NO. If YES attach a sheet stating the number of such persons and give details as to the type of service and the date such services were performed.

14. Complete the following section only if you have multiple worksites in Illinois.
 The following information is required for reporting of statistical data to the federal government. Please complete the information as completely and accurately as possible.

Enter below the required information for each place of business (worksite) in Illinois (use additional sheets if necessary). Read instructions carefully. If any worksite is engaged in performing support services for other units of the company, please indicate the nature of the activity in "section c-Primary Activity". Examples of Support Services are: Central Administrative Office, Research, Development or Testing, Storage (warehouse). See instructions for additional examples.

a) Physical Location of Each Establishment (Street, city, zip code)	b) County	c) Primary Activity	d) Average No. of Employees

15. If you are determined not liable, based upon the provisions of the Unemployment Insurance Act, you may voluntarily elect coverage under Section 205(h). Please indicate whether you want voluntary coverage _____ YES. If checked, we will mail you form UI-1B, VOLUNTARY ELECTION OF COVERAGE. Please complete that form and return it to this Department.

CERTIFICATION: I HEREBY CERTIFY THAT THE INFORMATION CONTAINED IN THIS REPORT AND ANY SHEETS ATTACHED HERETO IS TRUE AND CORRECT. THIS REPORT MUST BE SIGNED BY OWNER, PARTNER, OFFICER OR AUTHORIZED AGENT WITHIN THE EMPLOYING ENTERPRISE. IF SIGNED BY ANY OTHER PERSON, A POWER OF ATTORNEY MUST BE ATTACHED. A POWER OF ATTORNEY FORM IS INCLUDED IN THIS PACKET.

Employer Name _____
 Signed by _____ Date _____
 Title _____

.... DO NOT WRITE IN THE AREA BELOW. FOR DEPARTMENT USE ONLY

This state agency is requesting information that is necessary to accomplish the statutory purpose as outlined under 820 ILCS 405 / 100 - 3200. Disclosure of this information is REQUIRED. Failure to disclose this information may result in statutorily prescribed liability and sanction, including penalties and / or interest.	AREA	INDUSTRY	SOURCE _____ REC'D DATE _____
			A/C _____ NL _____
			LIAB. DATE _____ QTR _____ SEC _____
			ANALYST _____ DATE _____

Illinois Department of Employment Security

**INSTRUCTIONS FOR PREPARATION OF UI-1
REPORT TO DETERMINE LIABILITY UNDER
THE ILLINOIS UNEMPLOYMENT INSURANCE ACT**

An employing unit must file the Report to Determine Liability even though it may not be liable for the payment of contributions under the Illinois Unemployment Insurance Act.

Read the instructions below carefully. Items not included are self-explanatory. Non-receipt of report or notice is not an excuse for late payment. The responsibility of registering and complying with the law rests upon the employer.

Type or print in ink your answer to each item that applies. If you need more space, attach additional sheets but mark each "Supplement to UI-1" and sign and date it. Return the completed, signed original to this Department immediately. Retain a copy for your files.

Item No.

1. a. Legal name of employer: If a sole proprietor, the owners name; If a partnership, the partners' names; if a corporation, the corporate name. Doing Business as: Enter the name of your business, e.g., "Reliable Market", "Mary's Restaurant", "Smith & Jones Barber Shop".
- b. What business activity produces your major source of income?
- c. List products manufactured, commodities sold, construction or mining activities engaged in or type of services rendered. See examples of product or service below.

EXAMPLES OF PRODUCT OR SERVICE INFORMATION

AGRICULTURAL, FORESTRY, FISHING, AND HUNTING includes establishments primarily engaged in agricultural production including growing crops, raising animals, harvesting timber and harvesting fish and other animals from farms, ranches or the animals' natural habitats.

MINING includes the extraction of naturally occurring mineral solids, such as coal and ore; liquid minerals, such as crude petroleum; and gases, such as natural gas; and beneficiating (e.g., crushing, screening, washing and flotation) and other preparation at the mine site, or as part of mining activity.

UTILITIES includes generating, transmitting and/or distributing electricity, gas, steam and water and removing sewage through a permanent infrastructure of lines, mains and pipe.

CONSTRUCTION includes those establishments which perform new work, additions, alterations, installations or maintenance and repairs. Heavy construction, other than buildings, are located here, e.g. streets and highways, sewers and drainage. This sector also includes contractors, subcontractors and specialty trade contractors.

MANUFACTURING includes the mechanical, physical or chemical transformation of material, substances or components into new products. The new product may be finished and ready for utilization or consumption, or it may be semifinished to become input for an establishment engaged in further manufacturing.

WHOLESALE TRADE establishments or individuals are primarily engaged in the selling of merchandise to other businesses. The wholesale merchant has possession of the merchandise being sold and typically operates out of a warehouse. An agent / broker arranges for the purchase or sale of goods owned by others. Business to business electronic markets, i.e. via the internet, are also included.

RETAIL TRADE are those engaged in retailing merchandise generally in small quantities to the general public and providing services incidental to the sale of the merchandise.

TRANSPORTATION includes industries providing transportation of passengers and cargo; warehousing and storage of goods; scenic and sightseeing transportation and support activities related to modes of transportation.

INFORMATION sector establishments are involved in distributing information and cultural products, providing the means to transmit these products as data or communications, and processing data. Examples include newspaper, book and software publishers; television, radio and internet broadcasters; wire and wireless telecommunications; cable services, data processing and related services and internet service providers.

FINANCE AND INSURANCE includes establishments that are involved in the creation, liquidation or change in ownership of financial assets and/or facilitating financial transactions. Examples are banks; savings institutions; credit unions; personal credit institutions; insurance carriers, agents and brokers; commodity and security brokers; and health and welfare funds.

REAL ESTATE AND RENTAL AND LEASING includes establishments involved in renting, leasing, or otherwise allowing the use of tangible (real estate and equipment) or intangible assets (patents and trademarks) and providing related services.

PROFESSIONAL, SCIENTIFIC, AND TECHNICAL SERVICES are those establishments that specialize in performing professional, scientific and technical services for others. These activities require a high degree of expertise and training.

MANAGEMENT OF COMPANIES AND ENTERPRISES are those businesses engaged in the holding of securities of companies and enterprises for the purpose of owning a controlling interest or influencing management decisions. Also included are establishments that administer, oversee and manage other establishments of the same company or enterprise and normally undertake strategic, organizational planning and decision-making roles.

ADMINISTRATIVE AND SUPPORT AND WASTE MANAGEMENT AND REMEDIATION SERVICES include activities related to performing routine support activities for the day-to-day operations of other organizations. Other activities included in this sector are security and surveillance services, cleaning, waste collection and waste disposal systems.

EDUCATIONAL SERVICES include establishments that provide instruction, training and support services in a wide variety of subjects. This instruction and training is provided by specialized establishments, such as schools, colleges, universities, and training centers. Also included are trade schools, apprenticeship training, professional and management development training and educational testing services.

HEALTH CARE AND SOCIAL ASSISTANCE include businesses involved in providing health care and social assistance for individuals.

ARTS, ENTERTAINMENT, AND RECREATION are organizations that are operating or providing services to meet varied cultural, entertainment, and recreational interests of their patrons.

ACCOMMODATION AND FOOD SERVICES are responsible for providing customers with lodging and/or preparing meals, snacks, and beverages for immediate consumption.

OTHER SERVICES (EXCEPT PUBLIC ADMINISTRATION) include organizations that are responsible for providing services, not elsewhere specified, including repairs, religious activities, grant making, advocacy, laundry and dry-cleaning services, personal care, death care, pet care, domestic service and other personal services.

PUBLIC ADMINISTRATION includes the administration, management, and oversight of public programs by Federal, State, and local governments.

1. d. Give the address from which you conduct your business activities and to which your mail should be delivered. The Department will send all correspondence to this address unless you specify special handling for certain forms on the UI-1M.
3. This number is known as your **FEDERAL EMPLOYER IDENTIFICATION NUMBER (FEIN)**.
6. a. Enter the date on which you first began employing workers, not the date when wages were first paid.
b. Enter the date when you first paid wages in the State of Illinois.
8. Anyone who employs domestic workers in a private home, local chapter of a college fraternity or sorority and pays cash wages of \$1,000 or more in any calendar quarter in either the current or preceding four years becomes liable under the Unemployment Insurance Act. An agricultural employer who pays cash wages of \$20,000 or more in any calendar quarter or employs ten (10) or more individuals within each of twenty (20) or more calendar weeks in either the current or preceding four years becomes liable under the Unemployment Insurance Act.

9. **INFORMATION FOR NONPROFIT ORGANIZATIONS**

The law defines a "nonprofit organization" as a:

- (a) religious, charitable, educational, or other nonprofit organization defined in Section 501(c)(3) of the Internal Revenue Code of 1986 which is exempt from income tax under Section 501(a) of that Code; and
- (b) which has or had in employment four or more workers within each of twenty or more calendar weeks within either the current or preceding four years; and
- (c) that the services performed for the organization are excluded from the definition of "employment" solely by reason of Section 3306(c)(8) of the Federal Unemployment Tax Act.

Services performed by an individual for a "nonprofit organization" as defined by the law are exempt (and individuals performing such services need not be included in your computations) if the services are performed:

- (1) In the employ of (1) a church or convention or association of churches, or (2) an organization or school which is not an institution of higher education, which is operated primarily for religious purposes and which is supported by a church or convention or association of churches.
- (2) By a duly ordained, commissioned, or licensed minister of a church in the exercise of his ministry or by a member of a religious order in the exercise of duties required by such order.
- (3) In a facility conducted for the purpose of carrying out a program of rehabilitation for individuals whose earning capacity is impaired by age or physical or mental capacity who cannot be readily absorbed in the competitive labor market, by an individual receiving such rehabilitation or remunerative work.

- (4) As a part of an unemployment work-relief or work-training program assisted or financed in whole or in part by a Federal agency or an agency of a State or political subdivision or municipal corporation thereof, by an individual receiving such work-relief or work-training.
- (5) In the employ of a school, college or university, by a student who is enrolled and is regularly attending classes at such school, college or university, or by the spouse of such student if the spouse is advised, at the time the spouse commences to perform such service, that (1) the employment of the spouse to perform such service is provided under a program to provide financial assistance to the student by the school, college or university, and (2) such employment will not be covered by any program of unemployment insurance.
- (6) In the employ of a hospital, if such service is performed by a patient of the hospital.
- (7) As a student nurse in the employ of a hospital or nurses' training school by an individual who is enrolled and is regularly attending classes in the nurses' training school approved pursuant to the Illinois Nursing Act.
- (8) As an intern in the employ of a hospital by an individual who has completed a four year course in a medical school chartered or approved pursuant to State law.

NOTE: Items 5, 6, 7, and 8 above also apply to profit organizations.

- (9) In any calendar quarter in the employ of any organization exempt from income tax under Section 501(a) of the Federal Internal Revenue Code (other than an organization described in Section 401(a) of the Internal Revenue Code), or under Section 521 of the Internal Revenue Code, if the remuneration for such service is less than \$50 for the calendar quarter.

If an organization meets all the elements of the definition of a "nonprofit organization", EXCEPT that it has NOT had, in the current or preceding four years at least four (4) workers in employment within each of twenty (20) weeks, it is NOT subject to the Unemployment Insurance Act. (Even if you believe that you are not subject to the Act, you must complete and return the enclosed form.)

There are many organizations which are organized and operated as not-for-profit, but which do not meet the conditions set forth above of the definition of a "nonprofit organization." Such organizations are subject to the Unemployment Insurance Act if they had in the current year or preceding four years (a) one or more workers in employment within each of twenty (20) calendar weeks, or (b) a payroll of at least \$1,500 in any calendar quarter.

EXEMPTION FROM FEDERAL INCOME TAX UNDER SECTION 501(c)(3). Please note item 9(c) of the definition of "nonprofit organization". Services excluded from the definition of "employment under Section 3306(c)(8) of the Federal Unemployment Tax Act" are those performed for organizations listed in Section 501(c)(3) of the Internal Revenue Code as exempt from Federal Income Tax. If your organization is organized and operated not-for-profit, but your exemption from income tax is under a paragraph of the Internal Revenue Code other than paragraph (3) of Section 501(c), you cannot meet the definition of "nonprofit organization", and you will be treated as an "ordinary employer".

11. a. "Calendar Week" means the seven day period, Sunday through Saturday. In computing the number of workers within each calendar week, count all full-time, part-time and temporary workers regardless of whether they received cash wages, other forms of remuneration or no remuneration. Include all individuals who performed services for you in Illinois unless any such services are specifically exempt under the provisions of Sections 214 through 232 of the U.I. Act. The most common types of exempt services are:

1. Service for one's child or spouse, or service by a child under the age of eighteen for a parent.
 2. Services performed by an individual in the delivery or distribution of newspapers or shopping news to the ultimate consumer.
- b. Indicate the first year within the last five (including this year) in which this criterion was met.
12. If you have been found liable for Federal Unemployment, you become immediately liable to Illinois with your first Illinois payroll.
14. a&b. For two or more places of business in Illinois, enter the number and street or rural route, the city or town, zip code, and the Illinois county in which it is located.
14. c. The primary type(s) of activity at each address using the term which best describes your business: Agriculture, Mining, General Construction Contractor, Special Trade Contractor, Manufacturing, Transportation, Wholesale, Retail, Finance, Service, etc.
14. d. The average number employed at each address. Include all classes of employees (i.e. administrative, supervisory, clerical, sales, installation, construction, etc.)

If you should need further assistance in filling out this form, you may contact the Employer Hot Line Section at telephone number (312) 793-1905 or (800) 247-4984.

Please make a copy of the completed UI-1 for your records.