

How to Do Payroll in Alaska

Use this downloadable checklist to help you stay on track!

✓	TASK
	<p>Step 1: Set up your business as an employer.</p> <p>To register your business for withholding and unemployment taxes in Alaska, you must have a Federal Employee Identification Number (EIN). Although it's not required, we also encourage you to enroll in the Electronic Federal Tax Payment System (EFTPS), making it easy to pay your federal taxes online or over the phone.</p> <ul style="list-style-type: none"><input type="checkbox"/> Applied for a Federal Employer Identification Number (EIN)<input type="checkbox"/> Enrolled for the Electronic Federal Tax Payment System (EFTPS)
	<p>Step 2: Register with the State of Alaska.</p> <p>File your new business with the Alaska Department of Labor online, by mail, or at one of the field tax locations. Next, sign up for a myAlaska online account. This is where you connect to multiple departments for filing new hire reports, paying unemployment insurance (called Employment Security Taxes), and more.</p> <ul style="list-style-type: none"><input type="checkbox"/> Registered business with the Alaska Department of Labor<input type="checkbox"/> Sign up for a myAlaska online account
	<p>Step 3. Set up your payroll process.</p> <p>You'll need to decide how often you're planning to pay employees, if you need to track work hours, which payroll forms you need to collect and when, how you'll perform payroll calculations, and so forth. To do this, you have three options (check off which option you're electing to use for tracking purposes):</p> <ul style="list-style-type: none"><input type="checkbox"/> Do payroll yourself<input type="checkbox"/> Use Excel payroll templates<input type="checkbox"/> Sign up for a payroll service
	<p>Step 4: Collect employee payroll forms.</p> <p>The best time to collect payroll forms is during your new hire orientation. Required payroll forms for Alaska employees will include:</p> <ul style="list-style-type: none"><input type="checkbox"/> W-4<input type="checkbox"/> I-9

- [Direct Deposit Authorization Form](#)

Alaska has no additional forms for employees to fill out.

Step 5: Collect, review, and approve time sheets.

You must collect and approve timesheets before submitting payroll. You have three options to use (check off which option you're electing to use for tracking purposes):

- A [paper timesheet](#)
- Free or low-cost [time and attendance software](#)
- A payroll service that has a time and attendance system

Step 6: Calculate payroll (including taxes) and pay employees.

You will need to calculate:

- Payroll tax payments
- Employee paycheck amounts
- Paid time off balances

You can choose to [pay employees in a number of different ways](#) (i.e., cash, check, direct deposit, pay cards.) Federal taxes should be remitted through the [EFTPS](#).

Step 7: File payroll taxes with the federal and Alaska state government.

Follow the IRS instructions for federal taxes, including unemployment.

- **Alaska Income Taxes:** There are none, so there's nothing for you to do.
- **SUTA:** The state mails you your contribution report by the end of quarter. Even if you don't get a contribution report or don't owe anything, you must file and pay (if applicable) by the due dates below. You need to file online if you have 50+ employees in a quarter, generate more than \$1 million in taxable wages in the current or preceding calendar year, or have a payroll agent file for you. Otherwise, you can pay online or via mail with [Form TQ01C](#).

For Wages Paid During	Calendar Quarter Ends	Must be Filed & Paid By
Jan, Feb, Mar	March 31	April 30
Apr, May, Jun	June 30	July 31
Jul, Aug, Sep	September 30	October 31
Oct, Nov, Dec	December 31	January 31

Step 8. Document and store your payroll records.

Alaska requires you to keep records on employees for at least three years. SUTA information needs to be kept for five years. Information should include name and Social Security number, beginning and ending dates for periods worked, total wages in each period, and payroll information like wages earned, hours worked, and special payments.

Step 9: Process annual payroll reports:

Every employer, regardless of which state your business is in, will need to complete [W-2s](#) for all employees and [1099s](#) for independent contractors. By law, you must provide all employees and contractors with their annual tax form no later than January 31 of the following year.

- Generated W-2s for all employees
 - Distributed to employees
 - Filed with appropriate government agencies
- Generated 1099s for all contractors
 - Distributed to employees
 - Filed with appropriate government agencies