

**From:** Baker, Josh  
**To:** Veldran, Katherine <KatherineVeldran@gov.sc.gov>  
**Date:** 8/6/2013 10:02:54 AM  
**Subject:** RE: Look Back That Determines SUTA Tier Level

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Where are we on this? Do we have updates?

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**From:** Veldran, Katherine  
**Sent:** Tuesday, July 02, 2013 12:21 PM  
**To:** Cheryl Stanton (cmseph94@yahoo.com)  
**Cc:** Baker, Josh  
**Subject:** FW: Look Back That Determines SUTA Tier Level

FYI – start from the bottom.

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**From:** Finan, John L. [<mailto:jfinan@dew.sc.gov>]  
**Sent:** Monday, April 29, 2013 8:30 AM  
**To:** Stirling, Bryan  
**Subject:** RE: Look Back That Determines SUTA Tier Level

We will do that. Good idea.

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**From:** Stirling, Bryan [<mailto:BryanStirling@gov.sc.gov>]  
**Sent:** Friday, April 26, 2013 1:40 PM  
**To:** Finan, John L.; Pitts, Ted  
**Subject:** RE: Look Back That Determines SUTA Tier Level

Have you thought of asking the AG for an opinion about how the law should be interpreted?

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**From:** Finan, John L. [<mailto:jfinan@dew.sc.gov>]  
**Sent:** Tuesday, April 23, 2013 12:16 PM  
**To:** Pitts, Ted; Stirling, Bryan  
**Subject:** FW: Look Back That Determines SUTA Tier Level

Ted and Bryan. As you know we normally start the tax calculations sometime near the end of summer to end of Oct so we can get out bills to everyone in November. Right now the question we are getting a lot is do we use the new three year look back for the next calculation for taxes dues in 2014 or do we continue to use the ten year look back one more year and then start early to do the reprogramming and testing for a three year look back tax calculation for mail out in Nov 2014 effective for 2015. The way the law currently reads looks like it could be interpreted either way.

We would prefer to stay with the ten year look back this next time and go with the three year look back in 2014 calculation so we have a full year to reprogram and test. The three year look back might do some weird things to the tax calculations like throw too many businesses in cat 1 with little to no taxes and forcing the other categories to pick up increases to cover this. At any rate, we need some guidance on what way you want us to go. We have discussed this with Katherine and some association groups and the chamber. There are a couple of big guys out there pushing to go to the three year look back right away because that would get them out of category 20 but all the rest then have to pick up the difference to still meet the amount we have to collect. Also, some good news and bad news. The bad news is that flesh eating zombies have been attacking the economic advisors in Washington. The good news is that they appear to be starving to death.

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**From:** Von Nessen, Erica  
**Sent:** Tuesday, April 23, 2013 9:38 AM  
**To:** Finan, John L.; Paul, Kerry  
**Subject:** RE: Look Back That Determines SUTA Tier Level

Right now the option is for CY2014 tax rates using

2003Q3-2013Q2 (10 years)

2010Q3-2013Q2 (3 years)

For CY2015 we are definitely using

2011Q3-2014Q2

Since the tax rates for CY2014 are being calculated in 2013, I would argue that we use 10 years as the look back period. This would give us an additional year to get the IT programming done and potentially change the tax rate for class 1 so that we don't end up with 30% of our taxable wages paying a 0% base rate (which would increase the tax rates on classes 2-20 to make up for it).

-Erica

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**From:** Finan, John L.  
**Sent:** Tuesday, April 23, 2013 8:46 AM  
**To:** Paul, Kerry; Von Nessen, Erica  
**Subject:** RE: Look Back That Determines SUTA Tier Level

Erica, right now you are planning the look back for 2014, is that correct. In other words you would calculate using look back for 2011, 2012, and 2013 in 2014 for tax rates in 2015. Is that correct? The rumblings would move up the time frame so you would calculate look back in 2013 for taxes in 2014, right?

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**From:** Paul, Kerry  
**Sent:** Monday, April 22, 2013 9:46 PM  
**To:** Von Nessen, Erica; Finan, John L.  
**Subject:** RE: Look Back That Determines SUTA Tier Level

I vote on telling him that has not been determined yet and we will know more in the coming months. As soon as we know, we can send something out.

Mr. Finan?

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**From:** Von Nessen, Erica  
**Sent:** Monday, April 22, 2013 5:56 PM  
**To:** Paul, Kerry; Finan, John L.  
**Subject:** FW: Look Back That Determines SUTA Tier Level

How would you suggest responding to this? We are still waiting on Governor's office guidance.

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**From:** Jonathan Vallentine [<mailto:jvallentine@alternativestaffing.com>]  
**Sent:** Monday, April 22, 2013 5:53 PM  
**To:** Von Nessen, Erica  
**Cc:** 'Jan Cappellini'  
**Subject:** Look Back That Determines SUTA Tier Level

Hey Erica –

Hope you are well.

We understand that in 2014 the look back that establishes a company's tier level will change from ten to three years. Is that still on track?

We have been look forward to this for a while now and starting to hear rumblings that the period may not change.

Thanks...

**Regards,**

**Jonathan L. Vallentine**

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