ATTACHMENT TO UIPL 17-95, CHANGE 1

REVISED DRAFT LANGUAGE TO IMPLEMENT
A VOLUNTARY WITHHOLDING PROGRAM

(1) An individual filing a new claim for unemployment compensation shall, at the time of filing such claim, be advised that:

   (A) Unemployment compensation is subject to Federal, State and local income tax;

   (B) Requirements exist pertaining to estimated tax payments;

   (C) The individual may elect to have Federal income tax deducted and withheld from the individual's payment of unemployment compensation at the amount specified in the Federal Internal Revenue Code;

   (D) The individual may elect to have State income tax deducted and withheld from the individual's payment of unemployment compensation at the rate of ___ percent;

   (E) The individual may elect to have local income tax deducted and withheld from the individual's payment of unemployment compensation at the rate of ___ percent;

   (F) The individual may elect to have State and local income taxes deducted and withheld from the individual's payment of unemployment compensation for other States and localities outside this State at the percentage established by such State or locality; and

   (G) The individual shall be permitted to change a previously elected withholding status.

(2) Amounts deducted and withheld from unemployment compensation shall remain in the unemployment fund until transferred to the Federal, State or local taxing authority as a payment of income tax.

(3) The commissioner shall follow all procedures specified by the United States Department of Labor and the Federal Internal Revenue Service pertaining to the deducting and withholding of income tax.

(4) Amounts shall be deducted and withheld under this section only after amounts are deducted and withheld for any overpayments of unemployment compensation, child support obligations, food stamp overissuances or any other amounts required to be deducted and withheld under this Act.