

Unemployment Insurance Benefits

Frequently Asked Questions

What is Unemployment Insurance? Unemployment Insurance is a temporary safety net that may provide partial wage replacement if you are eligible. These benefits may be available to you because your employer paid into a fund from which you may draw benefits if you become unemployed through no fault of your own.

Am I Eligible for Unemployment Insurance Benefits? To be eligible, you must have lost a job through no fault of your own, be physically and mentally able to work, and be available for work if it is offered. Another requirement is that you must have earned \$2,500 in combined gross wages from all of the employers for whom you worked in the past 18 months. If you quit your job before your layoff date you are unlikely to be eligible for unemployment insurance benefits.

When Can I Apply? You can apply for unemployment insurance after finishing your last day of work. If you are receiving several months of severance, it may be beneficial for you to delay applying for unemployment insurance benefits in order to collect the maximum benefit for which you are eligible.

If you need information that will help you make a decision about when to file, contact the Unemployment Insurance Customer Service Center at 303-318-9000 to receive assistance or 1-800-388-5515 if you are outside of the Denver Metro area. While the Customer Service Center agent will not tell you when to file, they can provide information that will help you make the decision that is most beneficial for you.

Remember that it takes 4-6 weeks or longer to process a claim, so the processing time should be factored into your decision about when to apply.

How Do I Apply? Applying for unemployment insurance benefits, also called “filing a claim” is a simple online process that takes about 30 minutes. If you choose to file for unemployment benefits, you may file at the end of your last day of work. Be sure to have the following information available before you begin.

- Your social security number, current mailing address, and your legal name as it appears on your social security card.
- An approved form of identification such as a current or expired driver’s license or other state-issued photo ID, or a passport. If you are using an expired license, you will also need proof of renewal.
- Your employment history for the last 18 months including employer names, addresses, and phone numbers from pay statements; and

- Documentation of payments received or to be received as a result of your separation such as pay statements or a termination letter from your employer.

We recommend that you file your unemployment insurance claim online by navigating to <https://cdle.colorado.gov/unemployment> and clicking on the *Start a Claim* button. The online application for benefits is available daily with the exception of 10 pm - 3 am each night.

How Much Will I Be Paid? The amount of unemployment insurance benefits you may receive is determined by how much you were paid by all the employers for whom you worked during a specific 12-month period. This period is called the base period.

To estimate the amount of benefit you may receive, there is an estimator tool located at <https://uibestimator.coworkforce.com/> that can help you estimate your benefit amount.

In order to use the estimator, you will need your wage history for the past 18 months.

Please remember that this is an estimate, and your actual benefit amount is based on quarterly wages reported to us by your employers.

Unemployment insurance benefits are capped at a maximum amount per week.

How will Severance and Other Pay Affect My Benefits? You may receive other types of pay from your employer related to your separation and beyond your normal earnings. The unemployment insurance program refers to these payments as “other pay.”

The common types of “other pay” that you may receive from your employer are:

- Severance pay, or
- Withdrawals from a 401K or other employer-sponsored retirement accounts

When you apply for unemployment insurance benefits, you will be asked for the specifics of this “Other Pay.”

Be sure to accurately report the gross amount of each payment, the type of payment, and the date each payment was received.

The general rule regarding the impact of other pay on your claim is one week of pay equals one week of postponement. If you receive *other pay* related to your separation such as severance or if you take a distribution from your employer-sponsored retirement account, these may cause a postponement of your benefits. If your benefits are postponed, you will receive a notice from the department that explains in detail the effect on your benefits.

Are Unemployment Benefits Taxable? Unemployment Insurance benefits are taxable and must be reported on your Federal and State income tax returns.

You will be given the option to withhold taxes from your unemployment benefits at the time you apply. If you do not have taxes taken out of your benefit payment, you may pay any taxes owed at the end of the year when you file your income tax return.

It is important to note that you can only change your tax withholding option once during the life of your claim.

Will Working Affect my Benefits? You may have the opportunity to work while continuing to search for suitable work and collecting unemployment insurance benefits.

If you work less than 32 hours a week and you earn less than the gross amount of your weekly unemployment insurance benefit amount, you may still request a benefit payment for that week and potentially receive partial benefits.

Receiving partial benefit payments does not impact the overall maximum benefit amount that you will receive; instead, it potentially stretches the benefit over a longer period of time during the life of the claim.

You must continue to meet the eligibility requirements for unemployment insurance while working: you must be able to work, be available to accept work, be actively seeking work, record your work-search activity, and report any income earned (including tips) when you request benefit payments weekly. If your claim is based on full-time wages, you must still seek full-time work.

If the job prevents you from meeting these requirements, then you may no longer be eligible to receive unemployment insurance benefits.

Be sure to report any wages earned and hours worked during the week in which they were earned and NOT when you receive payment. If the wages earned are unknown at the time you're requesting your benefit payment, then you may estimate the amount of income and correct it later if needed.

Any income earned may reduce the unemployment insurance benefit amount you receive for the week in which it was earned. There is a dollar-for-dollar impact on benefits after the first 50%. Let's look at an example. If your weekly benefit amount is \$500, then 50% of \$500 is \$250. Let's say you earned \$675 in wages for the week. In this case, you would not receive unemployment benefits for that week.

Remember, you must report all of your earnings in the week you **earn** them and the system will calculate your weekly payment.

Will Refusing Work Affect My Benefits? Refusing suitable work from an employer may have a negative impact on the payment of unemployment insurance benefits.

Suitable work is defined as work that is consistent with your skills, rate of pay, and the distance you travel to work as well as the length of your unemployment.

Be sure to apply only for work that you would accept if it were offered, and report any job refusals to the Unemployment Insurance Customer Service Center immediately.

What Common Mistakes Should I Avoid? There are three common mistakes that people make that delay their unemployment benefit payments.

- They do not verify their identity as instructed
- They do not request payment within the required timeframe, and
- They do not register for work in Connecting Colorado.

Avoiding these common mistakes may prevent delays in processing your claim. It is also important that you and your employer respond to requests for information in a timely manner to prevent delays.

What Payment Options Do I Have? You may choose to receive your benefit payments on a debit card we send you, or through a direct deposit into a checking or savings account of your choice. This may be done at the time of the initial claim.

You may switch your method of payment by logging into MyUI+ and changing your payment information.

If you do not designate your payment method as direct deposit, you will always receive a debit card. The card will arrive in the mail in a plain white envelope. Be careful not to accidentally throw it away. Instead, keep the debit card with your unemployment insurance records for three years through the expiration date of the card. The debit card may be needed as a backup in case an issue comes up regarding your direct deposit or bank account number. If you did not keep your debit card from your previous or current application for benefits or if you have a debit card that is past its expiration date, contact US Bank <https://www.usbankreliacard.com/web/usbankreliacard/login>

Who Do I Contact for Help? If you have questions about the unemployment insurance program, there are many resources available to you online at <https://cdle.colorado.gov/unemployment>

After reviewing the information online, if you still have questions, you may contact the Customer Service Center at 303-318-9000. If you are outside the Denver Metro Area you may call 1-800-388-5515 during normal business hours.