

NORTH CAROLINA DIVISION OF EMPLOYMENT SECURITY (DES)  
UNEMPLOYMENT INSURANCE OVERVIEW

- Welcome to North Carolina's Division of Employment Security Unemployment Insurance Benefits Overview.
- Unemployment Insurance is a federal program operated by states to provide temporary assistance to individuals who have become unemployed due to no fault of their own.
- Most employers are required to pay state and federal taxes on wages you earn while working. These taxes fund the unemployment insurance program. Individual employees pay nothing towards unemployment insurance.
- Unemployment insurance payments are not guaranteed.
- There are 3 independent criteria that individuals must meet to be eligible for unemployment benefits:
  - 1) You must be unemployed due to no fault of your own.
  - 2) You must be monetarily eligible.
  - 3) You must be able, available and actively seeking work.
- In order to receive unemployment insurance payments you must be registered for work with your state Employment Service Agency. North Carolina residents must register for work with the NCWorks Career Center at [www.NCWorks.gov](http://www.NCWorks.gov). Out of state residents must register for work with the state in which they currently live.
- This presentation will cover the following topics:
  1. Are you monetary eligible to establish a claim for unemployment?
  2. What issues affect unemployment insurance payments?
  3. How to file your claim for unemployment insurance payments?
  4. How do you receive unemployment insurance payments and do you have to pay taxes on those payments?
  5. How to file your weekly certification and receive payments?
  6. What are your weekly work search requirements?
  7. What is required for an employability assessment interview?

- **(1) ARE YOU MONETERILY ELIGIBLE TO ESTABLISH A CLAIM FOR UNEMPLOYMENT?**

1. Every individual who files a claim for unemployment will receive a WAGE TRANSCRIPT & MONETARY DETERMINATION. This letter displays all employers for whom you worked and the wages you earned during a specific period of time. These wages are used to establish your claim. Read this letter carefully and determine if your wages are correct. **This letter DOES NOT guarantee that you will receive unemployment insurance payments.**
2. Your Wage Transcript & Monetary Determination also provides information on your weekly benefit amount, your maximum benefit amount, the number of weeks you are eligible to receive benefits, and your earnings allowance (how much money you can earn without affecting your weekly benefit amount).
3. The base period is a four quarter (one year) time frame. Qualified earnings (6 x North Carolina Average Weekly Insurance Wage) in the base period determine your monetary eligibility.
4. The weekly benefit amount is calculated by adding the wages in the last two base period quarters, dividing by 52, and rounding to the next lower whole dollar. The claimant must have at least \$780 in the last two quarters to establish the minimum weekly benefit amount of fifteen dollars (\$15.00). NC Employment Security law limits the maximum WBA to three hundred fifty dollars (\$350.00).

**Remember that the Wage Transcript & MONETARY DETERMINATION is not a guarantee that you will receive unemployment insurance benefits!**

- **(2) WHAT ISSUES AFFECT UNEMPLOYMENT INSURANCE PAYMENTS?**

1. DES must determine whether you meet all eligibility requirements to receive unemployment insurance benefits. This process may take several weeks depending on the number of “issues” you have, the time it takes us to obtain information about the issues from you and your last employer, and the agency’s workload.
2. Examples of issues that can arise are: your reason for being unemployed, separation payments you received, or failure to complete a weekly work search.
3. You have 14 days to **file weekly certifications for each week you wish to receive unemployment insurance payments. Continue to file even while you are waiting for an eligibility determination.**
4. If you receive a determination that denies you from collecting unemployment insurance payments, you may appeal. Late appeals may not be eligible for processing. **You must continue to file weekly certifications while your claim is under appeal unless you’ve returned to full time work.**
5. **When filing your weekly certifications, you must report any money (pretax amount) you earned during the week. Money is reported during the week it was earned, not when it was received.** Failure to report money earned may be considered fraud.

6. You must answer all questions each week, truthfully and accurately. **Making a false statement or furnishing inaccurate information to obtain unemployment payments will disqualify you from receiving future unemployment payments, can result in criminal prosecution, and will require repayment of benefits.**

- **(3) HOW TO FILE YOUR CLAIM FOR UNEMPLOYMENT INSURANCE PAYMENTS**

1. **The best way to file a claim is on our website: [des.nc.gov](http://des.nc.gov).** You will be required to establish an account by creating a username and password.
2. If you don't have access to a computer, there are computers available for your use at your local NCWorks Career Center or you may file a claim by calling our Customer Call Center toll free at 888-737-0259.
3. You can file a claim for unemployment insurance the first week you are unemployed or have worked less than 3 full time days.
4. Individuals who qualify for unemployment insurance payments will serve a waiting week. The waiting week is your first week of eligibility and is not payable.
5. Employers are sent a request for information the day after you file your claim for unemployment insurance benefits. DES must determine if you became unemployed due to no fault of your own before payments can be released.

- **(4) HOW DO YOU RECEIVE UNEMPLOYMENT INSURANCE PAYMENTS AND DO YOU HAVE TO PAY TAXES ON THOSE PAYMENTS?**

1. If you qualify for unemployment insurance payments, you will be paid by direct deposit to your checking or savings account or by a DES issued Debit Card. Direct Deposit is the fastest and most convenient way to receive unemployment insurance payments. You may provide your direct deposit information when you file your claim.
2. The DES issued Debit Card is the default method of payment when you don't choose direct deposit. It is mailed to you only after DES begins payment on your claim. The card usually takes eight to ten business days to arrive at your address. Unemployment insurance payments are subject to state and federal taxes. If you receive unemployment insurance payments, DES will provide you a 1099-G tax form the following January.
3. You can elect to withhold 10 percent of your weekly payment for Federal taxes. You may also elect to withhold a portion to satisfy state taxes. You determine how much you elect to withhold. The North Carolina Department of Revenue suggests withholding six, seven or eight percent for the deduction of state taxes. The choice is yours to have taxes withheld. DES is not responsible for your tax liability.

- **(5) HOW DO YOU FILE YOUR WEEKLY CERTIFICATION AND RECEIVE PAYMENTS?**

1. You must file a weekly certification each week you wish to receive an unemployment payment. You may file on our website at [des.nc.gov](http://des.nc.gov). If you don't have access to a computer, you may file by telephone at 888-372-3453.
2. For unemployment insurance purposes, weeks begin on Sundays and end on Saturdays. The earliest you may file your weekly certification is on Sunday. The questions you answer cover the prior seven day week, Sunday through Saturday.
3. Your weekly certification **must** be filed within fourteen (14) days of the Saturday end date of the week you wish to claim. If you fail to file a weekly certification within fourteen (14) days, you will **not** be able to claim that week. You will be required to reopen your claim and serve another waiting period week.
4. You must stop filing weekly certifications when you've returned to full-time work. If you have another separation from work, you need to re-apply for unemployment insurance.

- **(6) WHAT ARE YOUR WEEKLY WORK SEARCH REQUIREMENTS?**

1. You must be able to work, available for work, and actively seeking work each week you wish to receive unemployment insurance payments.
2. You are required to keep proof that you searched for work each week you apply for unemployment insurance payments. You can utilize DES form 506E (Work Search Record) or your own personal document, but you must keep a record of the dates you contact employers; each employer's name and address or web address, and how you contacted each employer. You may contact employers in person, by email, by telephone, on an employer's website, or other job assistance website.
3. You are required to make contact with five potential employers each week. This requirement is necessary even if you have partial earnings for the week.
4. If you refuse a job offer, you must contact DES and provide information about the offer. Please call 888-737-0259. Failure to do so may adversely affect your unemployment insurance payments.
5. Keep your work search record after you stop filing and go back to full time work. Your work search record may be subject to audit. Failure to provide this information may result in an overpayment.

- **(7) WHAT IS REQUIRED FOR AN EMPLOYABILITY ASSESSMENT INTERVIEW? (North Carolina Residents only)**

During the first few weeks of your claim, you will receive a letter requiring you to participate in a MANDATORY Employability Assessment Interview also called an EAI. A photo ID and your work search record are required at this interview. Your interview will be conducted at a NCWorks Career Center near you. Out of state claimants will be mailed an Eligibility Review Notice which must be completed and returned.

Please refer to our website at [des.nc.gov](https://des.nc.gov) for additional information. You may also contact the Customer Call Center at 888-737-0259 for additional information and assistance.