

Perspectives

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Unemployment Fraud Alert

Clients & Friends -

We have been made aware of several cases of unemployment fraud throughout Alabama and wanted to pass on some timely information.

In recent communication from the National Federation of Independent Businesses (NFIB) Alabama office, it was noted that they have been contacted by NFIB members statewide reporting fraudulent unemployment claims of their employees. In each case, the employee is working and did not file an unemployment claim. It appears that employees' identities are being stolen and unemployment claims are being fraudulently filed.

In Alabama, unemployment benefits are taxable and the employee of record will receive a 1099 tax form for 2020. The employee must prove he/she did not receive the benefits to avoid paying the taxes. If one of your employees finds themselves in this situation, they should file a fraud report with the Alabama Dept. of Labor at <https://www.labor.alabama.gov/Fraud>. In addition, they should contact the Alabama Attorney General's Consumer Protection Division at 334-242-7300 for additional steps to protect their identity.

If you have questions or need assistance, please contact the NFIB/Alabama state office at 334-264-2261 or email rosemary.elebash@nfib.org. We appreciate Rosemary Elebash and NFIB/Alabama providing us with this important information.

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