

Employment and Training Administration Advisory System U.S. Department of Labor Washington, D.C. 20210	CLASSIFICATION UI
	CORRESPONDENCE SYMBOL OWS DUIO
	DATE December 11, 2007

ADVISORY: ET HANDBOOK NO. 407, 4th EDITION, CHANGE 3

TO: STATE WORKFORCE AGENCIES

FROM: CHERYL ATKINSON /s/
 Administrator
 Office of Workforce Security

SUBJECT: Tax Performance System Handbook Updates

1. Purpose. To provide updated pages for the Unemployment Insurance (UI) Tax Performance System (TPS) Handbook, ET Handbook No. 407, 4th Edition.
2. References. ET Handbook No. 407, 4th Edition, November 20, 2003, ET Handbook No. 407, 4th Edition, Change 1, December 9, 2004, and ET Handbook No. 407, 4th Edition, Change 2, July 31, 2006.
3. Background. TPS is part of the comprehensive UI performance management system “UI Performs,” and ET Handbook No. 407, Edition 4, provides standard instructions for operating TPS in each state. This advisory transmits a number of modifications, clarifications, and replacement pages for the Handbook.
4. Handbook Modifications Summary.
 - Chapter II, General Procedures. Instructions have been added to define appropriate source documentation for employers who file electronically.
 - Chapter III, Status Determination. References to employer account inactivation procedures have been updated to comply with ET Handbook 401, Changes 10 and 12.
 - Chapter III, Status Determination. Sampling instructions have been updated to define appropriate source documentation for employers who file electronically.
 - Chapter IV, Cashiering. Instructions have been updated to address electronic fund transfers.

RESCISSIONS None	EXPIRATION DATE December 10, 2008
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- Chapter VII, Field Audit. Sampling instructions have been modified to address audits of employers who report and maintain wage documents electronically and to provide examples of acceptable electronic source documents; instructions have been further defined to describe more fully the audit activities necessary to verify accuracy of employer payroll; instructions have been added to clarify that simple typographical or mathematical errors do not cause case failure, and instructions have been added regarding the review of audits of non-registered or non-reporting employers.
5. OMB Approval. ET Handbook No. 407 has been approved by the Office of Management and Budget (OMB) in accordance with the Paperwork Reduction Act of 1995, (OMB Approval No. 1205-0332, expiration date: January 31, 2009).
 6. Action Required. Administrators are requested to distribute this advisory and the attached replacement pages to the TPS reviewer(s) and appropriate tax staff. These updates are also available electronically at: http://wdr.doleta.gov/directives/ETA_Handbook.cfm.
 7. Handbook Maintenance. ET Handbook 407, 4th Edition, Change 2 should have the following pages removed and replaced with the attached pages.

Remove PagesInsert Pages

Chapter II

Pg. 9 R 04/03 and 10 R 04/03

Pg. 9 R 11/07 and 10 R 04/03

Chapter III

Pg. 45 R 04/03 and 46 R 04/03

Pg. 45 R 04/03 and 46 R 11/07

Pg. 63 R 04/03 and 64 R 04/03

Pg. 63 R 11/07 and 64 R 04/03

Pg. 77 R 04/03 and 78 R 04/03

Pg. 77 R 04/03 and 78 R 11/07

Pg. 91 R 04/03 and 92 R 04/03

Pg. 91 R 11/07 and 92 R 04/03

Chapter IV

Pg. 109 R 04/03 and 110 R 04/03

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Pg. 111 R 11/07 and 112 R 11/07

Chapter VII

Pg. 63 R 04/03 and 64 R 04/03

Pg. 63 R 04/03 and 64 R 11/07

Pg. 65 R 04/03 and 66 R 04/03

Pg. 65 R 11/07 and 66 R 11/07

8. Inquiries. Address all inquiries to the appropriate Regional Office.
9. Attachment. Replacement pages for Handbook 407, Edition 4, Change 3.