

**Alaska**  
**Automated Clearing House (ACH) Debit**  
**Tax Payment System**

**Instructions**



**State of Alaska**  
**Department of Commerce, Community and Economic Development**  
**Division of Insurance**

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**PO Box 110805, Juneau, AK 99811-0805**  
**(907) 465-2584, Fax (907) 465-3422**  
**[www.commerce.state.ak.us/insurance](http://www.commerce.state.ak.us/insurance)**

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## **I. Scope**

These instructions are intended to cover only the specific requirements of the State of Alaska Division of Insurance and the State of Alaska Treasury Division ACH debit payment method. It is not intended to be a complete explanation of the rules and regulations of the National Automated Clearing House Association (NACHA). A complete set of rules and regulations for the Automated Clearing House is available from:

National Automated Clearing House Association  
13665 Dulles Technology Drive, suite 300  
Herndon, VA 20171  
(703) 561-1100

Or online at: [www.nacha.org](http://www.nacha.org)

These instructions are to be used for Alaska Division of Insurance premium taxes, the continuation of certificate of authority fees, continuation of registration fees, annual statement filing fees, broker filing fees and penalty fees via the Web.

## **II. Available Assistance**

Should you have questions concerning the ACH Debit payment method after reading this booklet, please call the Alaska Division of Insurance representative at (907) 465-2584.

### **III. Company or Broker Responsibility**

#### **Timeliness of Payments**

For an electronic payment to be timely, the transferred funds must settle in the Alaska Division of Insurance's bank account on the due date. To ensure the timely receipt of payment, the transaction must be initiated ***no later than 4:00 pm Eastern standard time on the last business day prior to the due date of the payment.***

**Holidays and Weekends** (Federal Reserve Holiday Schedule found at [www.rich.frb.org/generalinfo/holidays.html](http://www.rich.frb.org/generalinfo/holidays.html))

If the payment due date falls on a weekend, or a Federal Reserve holiday, the payment by ACH is required to make funds available in the State of Alaska's bank account on the next business day.

#### **Tax Report Filing Requirements**

The requirement to make a payment to the Alaska Division of Insurance using the ACH program does not change any current filing requirements for tax reports. Tax reports must be filed on time.

#### **Debit Block**

If you have a block on the bank account you plan to use for ACH debit, you will need to give your bank the following identifier: **0000907100 from the Wells Fargo Bank**, in order for your bank to allow the transaction through their filters. Please be aware that different financial institutions may use different fields or combination of fields to authenticate a payment to bypass their debit blocking systems. In those cases, the company ID provided above may not be sufficient for their purposes.

## IV. ACH Debit Payment Method

The ACH debit payment method is via a secured web site located at:

<https://www.commerce.state.ak.us/ins/apps/ach/AchStart.cfm>

To get there from our home page at [www.commerce.state.ak.us/insurance](http://www.commerce.state.ak.us/insurance), click on .

To use this web site, for security purposes you must have a username and password assigned by the Alaska Division of Insurance. If you need a username and password, contact the representative in II. Payments can be initiated up to 30 days in advance of the effective date.

**This site works best with Microsoft Internet Explorer 6.0 and above.  
You must have Javascript enabled to use this program.**

### Initiating a new ACH transaction

1. On the welcome page at the above web site, click .
2. Log in using the assigned username and password, click .
3. At this login successful screen, click  to initiate an ACH payment.
4. If you have the ability to pay more than one type of payment, you will see a drop down list for the different payment types. Select the payment type you wish to pay and click .
5. **Important:** if your payment amount includes two different types of payments, such as for insurance companies: the annual premium tax and continuation of certificate of authority fee/annual statement filing fee, please make two payments, one for the tax and one for the fees. If you are a surplus lines broker paying the quarterly premium tax and filing fee, please make two payments, one for the tax and one for the fees.
6. In this input screen, the fields marked with a red \* are required and must be filled out to progress through the transaction.

- a. The ACH system stores the most recent contact information. Click on the fields to make changes.
  - b. Payment type: if you initially selected an incorrect payment type, you may go back and select a new one
  - c. Payment year: click on the year for which the payment should be associated
  - d. Payment amount: do not include non-numeric characters.
  - e. Effective Date: the date you want the money deposited into the State of Alaska Division of Insurance's account. As a reminder, the transaction **must be initiated no later than 4:00 pm Eastern standard time on the last business day prior to the due date of the payment** to avoid late penalties.
  - f. Account Name: the name as it appears on your bank account. Bank account information is not stored for security purposes and must be entered each time you make a payment.
  - g. Bank Account Number: do not include non-numeric characters, dashes or spaces.
  - h. Type of Bank Account: checking or savings
  - i. Transit and Routing Number: must be 9 digits. The number will be matched against the Thomson Table to identify the bank you choose.
  - j. Email Address: This is optional if you want an email reminding you of a payment that you initiated.
  - k. The number of days in advance of the effective date you want to receive the reminder email.
7. After completing all the required fields, click .
8. A verification page with all the information comes up for you to review for accuracy. Please confirm the bank name from the routing number is accurate. At this point, you will need to authorize the State of Alaska to initiate debit and credit entries to your bank account. After confirming the information and agreement, click  to process payment or  to go back to correct information.
9. A confirmation page provides you with the actual date the payment will be processed and a transaction ID number to be maintained for future use, if necessary. **Be sure to print this page.**
10. At this point, you can initiate another ACH payment for the same entity or cancel a scheduled payment or log off. If you want to initiate a payment for a different entity, click  to go back to the log in successful screen and change to another entity.

## Canceling a scheduled ACH transaction

1. On the welcome page at the above web site, click .
2. Log in using the assigned username and password.
3. At this login successful screen, click  to **cancel** a scheduled ACH payment.
4. Enter the transaction ID number from the confirmation page when the payment was initiated.
5. A verification page with all the information comes up for you to review for verification that this is the correct payment you wish to cancel. After determining the payment is the correct one to cancel, click  to cancel payment or  to go back to the “Login successful” screen.
6. Be sure to print the confirmation page.

## V. Corrections

At this time, there is no mechanism to make corrections to a transaction already initiated. The process will be to cancel the initial payment and initiate a new payment.

## VI. Questions and Answers on Paying Taxes and Fees by Electronic Funds Transfer via the Automated Clearing House

### **What is an EFT Payment?**

An EFT (electronic funds transfer) payment is an automated method of instructing a financial institution to move money between accounts of the payer and the State of Alaska through the Automated Clearing House (ACH), a nationwide network that electronically transfers funds. The two methods of transfer are by the debit or credit system. Common applications for the ACH are direct deposit of payroll and social security benefits, payment of taxes and automated payment of life insurance premiums. The delivery methods and settlement services operated by the Federal Reserve System are utilized within the ACH network in order to maintain security and to increase the efficiency of transaction.

### **Who will be required to pay by ACH?**

All admitted insurance companies and surplus lines brokers in the State of Alaska must pay premium taxes and fees by ACH.

### **If I am not required to pay by ACH, can I pay by ACH anyway?**

Yes, companies registered with the State of Alaska Division of Insurance, such as accredited reinsurers, surplus lines insurers, and risk retention groups may also pay by ACH.

### **Am I required to pay a service charge?**

Your bank may charge a fee for this type of payment.

### **How do I initiate an ACH debit payment?**

Log in to a web payment method as described in the instructions to the ACH debit system.

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REMEMBER, SUFFICIENT FUNDS MUST BE AVAILABLE FOR THE ACH TRANSACTION TO BE COMPLETED.

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### **How can I be sure my payment was made?**

Your payment will be itemized on your bank account statement.

### **What can I do if my bank is not able to process by the ACH credit method?**

Pay via ACH debit.

### **When is the payment due?**

For insurance companies: the annual payment is due on or before March 1. With quarterly estimated payments are due on May 31, August 31 and November 30. Surplus lines brokers have the following quarterly due dates: March 1, June 1, September 1, and December 1.

An ACH debit transaction must be initiated no later than 4:00pm Eastern Standard Time **on the last business day prior to the due date** of the payment in

order for the payment to be received in the State of Alaska's bank account by the due date.

### **Will I receive written verification or an acknowledgment from the Division of Insurance if I process an ACH transaction?**

No. You may contact your bank to verify if your payment was processed.

### **In what situation does the Division accept Fed Wires?**

No situations.

### **My bank has a Debit Block on the account I want to use for ACH, what do I do?**

You will need to give your bank the following identifier: 0000907100, in order for your bank to allow the transaction through their filters. Please be aware that different financial institutions may use different fields or combination of fields to authenticate a payment to bypass their debit blocking systems. In those cases, the company ID provided above may not be sufficient for their purposes.

### **I can't pay by ACH Debit, what other option is available?**

ACH credit, contact your bank to determine when the ACH must be initiated to meet the payment deadline.