

Instructions/Procedures

Application for Rehire Credit: Section 3350(7), Title 19 of the Delaware Code provides that an employer may apply for a rehire credit if:

- * the employer reemployed a claimant during the claimant's benefit year and because of such reemployment, prevented the payment of more than 75% of the maximum benefits to which the claimant was entitled to receive during the benefit year, and
- * base period wages (stated as benefit wages on the quarterly "Benefit Wage Charge Notice," form UC-12) upon which the claim was based were charged to the employer's experience rated account during the benefit year just ended, and
- * the employer applies for the rehire credit within 90 days following the end of the claimant's benefit year ending date -- an application will be considered as having been filed upon the date of receipt by the Department.

Restrictions on Receiving Rehire Credit: No employer's application for rehire credit relating to a claimant's claim for benefits shall be allowed if:

- * the written application is not complete, or
- * the written application is not sent in within the specified time period, or
- * the claimant was not rehired by you.

Credit Schedule: Rehire Credit shall be determined in accordance with the following schedule:

- * 75% Credit: if the claimant does not receive more than 25% of his maximum benefit amount (MBA),
- * 50% Credit: if the claimant receives more than 25% but not more than 50% of his maximum benefit amount (MBA),
- * 25% Credit: if the claimant receives more than 50% but not more than 75% of his maximum benefit amount (MBA).

Notification of Determination: If an application for rehire credit is denied, the employer will be notified of the reason on form UC-409RC (Notice of Denial of Application for Rehire Credit). If the credit is approved, the employer will be issued a UC-401 (Statement of Benefit Wage Credits). The UC-401 will provide information on the percent of credit and the rate year to which it has been applied.

- * The credit will be applied in the calendar year and quarter in which the claimant's benefit year is exhausted.
- * Credit is NOT retroactive to the period in which the benefit wages were charged or rehire occurred.
- * Credit is applied to the employer's account for merit rating purposes. It may reduce the employer's assessment rate.