§ 570. Payment of contributions. 1. Rate. Each employer liable under this article shall pay contributions on all wages paid by him at the rate of five and four-tenths per centum or, if applicable to the employer, at the rate provided by the provisions of sections five hundred seventy-seven and five hundred eighty-one. However, if contributions so established exceed five and four-tenths per centum of wages paid by him which are subject to the federal unemployment tax act, they shall be reduced by that part of such excess, if any, which is caused by the provisions of paragraph (b) of subdivision one of section five hundred eighteen.

2. Time and method of payment. Contributions shall become payable by any employer for wages paid on and after the date on which he becomes liable under this article. All contributions from employers shall be paid at such times and in such manner as the commissioner may prescribe.

3. Default. An employer who fails to pay contributions required to be made by him to the fund shall pay interest at the rate of one per centum of the amount of such contributions for each month he is in default. Such interest shall be assessed, collected and paid as part of the payment required to be made by the employer to the fund.

4. Fraud. If any part of any deficiency is due to fraud with intent to avoid payment of contributions to the fund, fifty per centum of the total amount of the deficiency, in addition to such deficiency, shall be assessed, collected, and paid in the same manner as if it were a deficiency.

5. Refunds and credits. If an employer shall make application for a refund of any contribution, interest, or penalty paid by him or for a credit thereof and the commissioner shall determine that such contribution, interest or penalty, or any portion thereof was erroneously collected, the commissioner shall refund said amount or allow a credit therefor. If said refund was created as a result of departmental error then the commissioner shall pay said refund with interest paid at the rate of three-fourths of one per centum of the amount of such contribution, interest and penalty for each month between

the time of the erroneous collection and thirty days previous to the date of the refund check, as specified in this subdivision, unless the employer shall have already deducted said amount by way of credit against moneys payable by him into the fund. No refund or credit shall be allowed unless an application therefor shall be made on or before whichever of the following dates shall be the later: (a) one year from the date on which such payment was made; or (b) three years from the last day of the first month following the end of that calendar quarter during which the remuneration was paid which formed the basis for contributions, interest, or penalty claimed to have been erroneously collected. For a like cause and within the same period a refund may be so made or a credit allowed on the initiative of the commissioner. Any credit or refund of interest and penalties erroneously collected, any interest on such credit or refund, and any interest on contributions, interest and penalties erroneously collected, allowed by the commissioner under the foregoing conditions, shall be a charge against the special fund. Any credit or refund of contributions erroneously collected, allowed by the commissioner under the foregoing conditions, shall be a charge against the unemployment insurance fund.

Nothing contained in this subdivision shall require or permit the refund or credit of any contributions due and payable under article eighteen of this chapter as in effect at the time such contributions were paid.

6. Agreement to contributions by employees void. No agreement by an employee to pay any portion of the payment made by his employer for the purpose of providing benefits required by this article shall be valid and no employer shall make a deduction for such purpose from the remuneration of any employee.

7. (a) In addition to amounts otherwise payable under this article, every employer liable for the payment of contributions shall pay contributions of three-tenths per centum on all wages paid by him during the calendar year nineteen hundred seventy-nine. Such contributions shall be credited to the employer's account pursuant to paragraph (d) of subdivision one of section five hundred eighty-one and shall be used

only for the purpose set forth below in paragraphs (b) and (c) of this subdivision.

(b) If, on or before the tenth day of November, nineteen hundred seventy-nine, the commissioner determines that the outstanding balance of advances made to the state pursuant to title XII of the federal social security act can be repaid in full to the treasury of the United States for credit to the federal unemployment account in the federal unemployment trust fund, and that after such repayment the state will not require further title XII advances during the remainder of nineteen hundred seventy-nine, he shall cause such repayment to be made.

(c) On or before the first day of July, nineteen hundred seventy-nine, pursuant to 20 CFR 601.5(f) the governor shall file with the secretary of labor an application for deferral of the tax credit reduction required by section 3302(c) (2) of the federal unemployment tax act. If such deferral can be obtained by making the repayment to the treasury of the United States required by 20 CFR 601.5(f)(2)(ii), the commissioner shall cause such repayment to be made. If such deferral cannot be so obtained, it shall be applied for pursuant to 20 CFR 601.5(f)(2)(i) and, in such event, the amount of such additional contributions due by the thirty-first day of January, nineteen hundred eighty, by reason of paragraph (a) of this subdivision, shall be paid as soon as received to the treasury of the United States to reduce the balance of outstanding title XII advances.