

Unemployment Insurance Tax Rate Tables

The Iowa law stipulates that Unemployment Insurance (UI) taxes may be collected from employers under eight different tax rate tables, each table having 21 ranks (or rate brackets).

Rates vary from 0 to 9 percent on Table 1 and from 0 percent to 7 percent on Table 8. This means that Table 1 collects the most tax and Table 8 collects the least tax. The tables were established to help maintain the solvency of the UI Trust Fund. Nationally, Iowa is one of 18 states that have a solvent UI trust fund which helps protect the UI system in high volume scenarios.

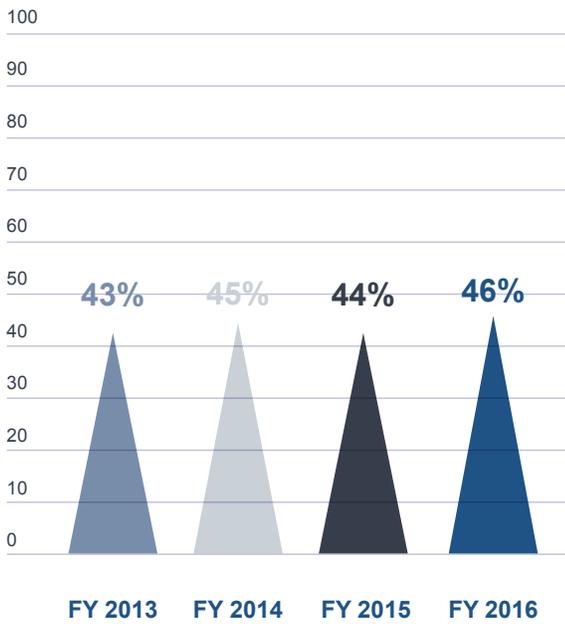
As such, a formula in the law mandates movement to a table that collects more revenue when the balance in the UI fund is low and movement to a table collecting less revenue when the balance is high. The formula used as notated in the Iowa Code 96.7 states that we take the adjusted trust fund balance / total non-reimbursable wages for the year. From there, we get the current reserve fund ratio and that ratio is a leading factor in determining the table for the year. (Note the historical Rate Table graph)

Rate tables are updated annually and the rate table effective for any given year is applicable to all participating employers. During November, the Notice of Unemployment Insurance Contribution (Tax) Rates are mailed to each employer. The notice indicates the tax rate to be used for the coming year and the rate table in effect for all private employers for 2016 is Contribution

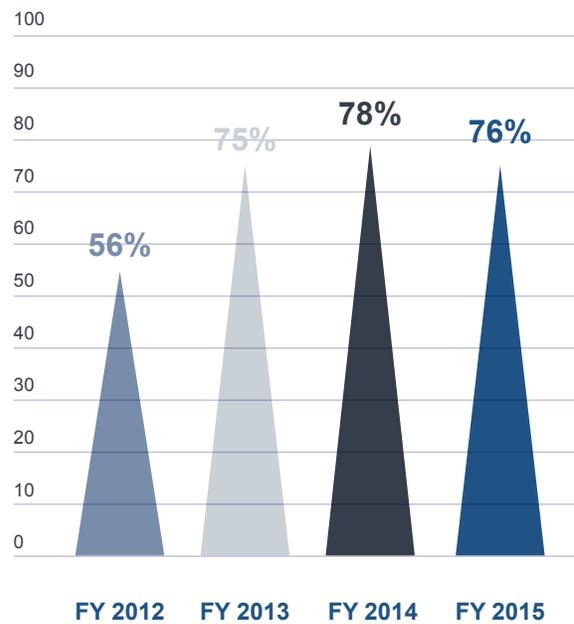
Rate Table 6. Employers have 30 days to appeal their Notice of UI Contribution (Tax) Rate if they believe an error occurred in calculating the rate. Further information on the Tax Table Rate and Ranking system can be found out www.iowaworkforcedevelopment.gov.

Estimated Average Contribution Rate Based on Taxable Wages and Rate Table Distribution				
Tax Year	Rate Table	Contribution Rate		
		Minimum	Maximum	Average
2005	6	0.0%	8.0%	1.6%
2006	6	0.0%	8.0%	1.6%
2007	6	0.0%	8.0%	1.6%
2008	6	0.0%	8.0%	1.6%
2009	6	0.0%	8.0%	1.6%
2010	4	0.0%	9.0%	2.4%
2011	3	0.0%	9.0%	2.8%
2012	4	0.0%	9.0%	2.4%
2013	5	0.0%	8.5%	2.0%
2014	6	0.0%	8.0%	1.6%
2015	7	0.0%	7.5%	1.2%
2016	6	0.0%	8.0%	1.6%

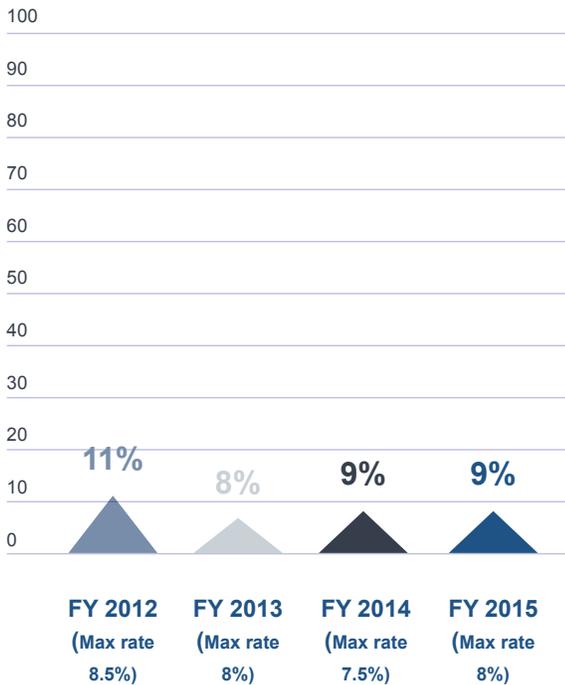
PERCENT EMPLOYERS WITH UI TAX RATE OF 0% (DO NOT PAY TAXES)



PERCENT EMPLOYERS WITH UI TAX RATE OF 1% OR LESS (INCLUDES EMPLOYERS WITH UI TAX RATE OF 0%)



PERCENT EMPLOYERS WITH HIGHEST UI TAX RATE



UI TAX RATE FOR AN AVERAGE EMPLOYER

