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Unemployment Insurance Tax Rate Table Remains the Same for 2022

DES MOINES – Gov. Kim Reynolds announced today that unemployment insurance tax rates for Iowa employers will remain unchanged for 2022. For the fifth consecutive year, the tax rates used to fund unemployment benefits will be the second lowest allowed by law.

In 2020, Reynolds directed that \$490 million of CARES Act coronavirus relief funds be used to support the unemployment trust fund. Beth Townsend, Director of Iowa Workforce Development, said such decisions make it easier for Iowa companies to hire and keeps Iowa competitive for employers.

“Remaining in Tax Table 7 ensures Iowa businesses will continue to recover from the pandemic without facing additional costs,” **Townsend said.** “And like employers, we are working hard to make sure they have the skilled workforce they need to continue their recovery.”

Iowa law requires Iowa Workforce Development to establish a table to determine the unemployment tax rates that will impact eligible employers each year. The unemployment insurance rate table trigger is derived from a formula based primarily on the balance in Iowa’s unemployment insurance trust fund, unemployment benefit history, and covered wage growth. Based on this formula, contribution rates will continue to be drawn from Table 7 (out of eight possible tables) in calendar 2022.

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