

NEWS RELEASE

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Information Contact: Salvador Vazquez, (208) 332-3570 ext. 3218

Idaho's Standard Unemployment Insurance Tax Rate Drops 1.5 Percent for 2018

-With a balance of \$780 million, the state's unemployment insurance trust fund remains solvent-

Idaho's standard unemployment insurance tax rate for 2018 - will drop 1.5 percent to 1.374 percent for 2018.

The standard unemployment insurance tax rate is the rate all new Idaho employers pay and serves as the foundation for which individual tax rates are calculated for existing Idaho employers.

"Idaho employers want stability in the unemployment insurance tax rates they pay," said Idaho Department of Labor Director Melinda Smyser. "At the Idaho Department of Labor, we're doing everything we can to help employers keep those tax rates low."

According to Smyser, the 2018 decrease follows on the heels of a 6.3 percent drop in 2017 from 1.488 percent in 2016 and a 6 percent decrease between 2015 and 2016.

Individually, each Idaho employer falls into one of 13 rate classes, which range between 0.393 and 5.4 percent based on their experience rating. Employer experience ratings are calculated based on the ratio between the amount of benefits paid out on their account compared to the amount of unemployment insurance taxes they pay.

All of the 13 rate classes will see a reduction with the exception of the most deficit-rated employers whose rate is fixed at 5.4 percent as required by federal conformity law.

While Idaho's rate drop can generally be credited to a strong trust fund and a robust economy, unemployment division administrator Michael Johnson said employers play a direct role in the rise and fall of their own unemployment insurance tax rates. He says accurately reporting when people are no longer employed or when new hires are made helps keep unemployment insurance tax rates low for everyone. Steps employers can take include:

- 1: Report all new hires within 20 days - go to labor.idaho.gov/newhire.
- 2: Report and pay your unemployment insurance taxes on time - see labor.idaho.gov/employerportal.
- 3: Report unemployment insurance fraud by calling (877) 540-8638.
- 4: Respond quickly and efficiently to unemployment claims at labor.idaho.gov/sides.

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"Any Idaho business owner can take actions to help keep their rates down," Johnson said. "Businesses with multiple claims filed against their company will see their rates go up which is why, even though the overall rate dropped this year, some employers might not feel those savings."

Benefit claimants will see the maximum weekly benefit amount increase from \$405 to \$414 per week, while the minimum weekly benefit amount will remain unchanged at \$72 per week.

A complete list of the 2018 unemployment insurance tax arrays for businesses can be found at:
<https://labor.idaho.gov/eServices/EmployerPortal/Links/UITaxRates>.

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