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## Unemployment Insurance Tax Information

### ***2018 State UI Tax Rates***

In addition to the experience based rates (0.1% – 14%) or the new employer rate (2.9%), the 2018 rates will include the stabilization tax of 0.3%. Effective for wages paid on and after January 1, 2018 the taxable wage base drops from \$12,000 to \$10,000. Employers will benefit from the taxable wage base reduction when paying their first quarter 2018 contributions.

### ***FUTA Tax Credit***

Aside from state unemployment insurance taxes, employers pay a federal unemployment or FUTA tax. The FUTA tax rate is 6.0% with a taxable wage base of \$7,000. However, if states operate their unemployment insurance programs in compliance with federal law and employers submit their state UI taxes in a timely fashion, then the FUTA tax is reduced (credit) by 5.4% to 0.6%.

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