



Employer ADVISOR

WINTER 2021

NEW 2022 UNEMPLOYMENT INSURANCE TAX RATES

Last month, the Utah legislature capped unemployment insurance tax rates for 2022, 2023, and 2024. Read House Bill 2002 and see the bill sponsors here <https://le.utah.gov/~2021S2/bills/static/HB2002.html>

For 2022, 76% percent of Utah's established employers qualify for the minimum unemployment insurance tax rate of 0.003 or approximately \$124 per employee per year. In Utah, employers are only taxed on the taxable wage base, which for 2022 is \$41,600. Any wages paid above the wage base are not taxed for unemployment insurance.

The collected tax is deposited into the Utah Unemployment Compensation Trust Fund to pay benefits to workers who become unemployed through no fault of their own. In calendar year 2020, 22 states borrowed from the federal government to pay unemployment benefits during the year. Eighteen of those states had an outstanding balance on January 1, 2021, totaling \$45.5 billion.

Utah's trust fund remains solvent through the pandemic and beyond. As a result, Utah will not have to borrow


money from the federal government, take out private bonds, or significantly increase taxes in order to maintain trust fund solvency.

To learn about how unemployment insurance tax rates are calculated click here <https://jobs.utah.gov/ui/employer/Public/Questions/TaxRates.aspx>

For information about how to lower your unemployment insurance taxes, visit <https://jobs.utah.gov/ui/employer/Public/Questions/CutTaxRates.aspx>

WHEN WILL I FIND OUT MY RATE FOR NEXT YEAR?

If you signed up for electronic correspondence, you were notified November 20. Check your in box or spam mailbox if you haven't received it. All other employers were mailed 2022 rate notices the fourth week of November.

If you did not receive your 2022 tax rate notice, please contact us using the online  found at:

<https://jobs.utah.gov/ui/employer/employerhome.aspx> or by calling 801-526-9235 (option 2, then option 1).

UTAH RANKS

13TH HIGHEST
in trust fund
solvency



yet has the
8TH LOWEST
tax rate for employers



average employer tax amount
per covered employee

\$106 UTAH

\$277 U.S. AVG.

\$701 VIRGIN ISLANDS

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WORK SEARCH DEFERRAL: HELPING SEASONAL EMPLOYERS RETAIN WORKERS

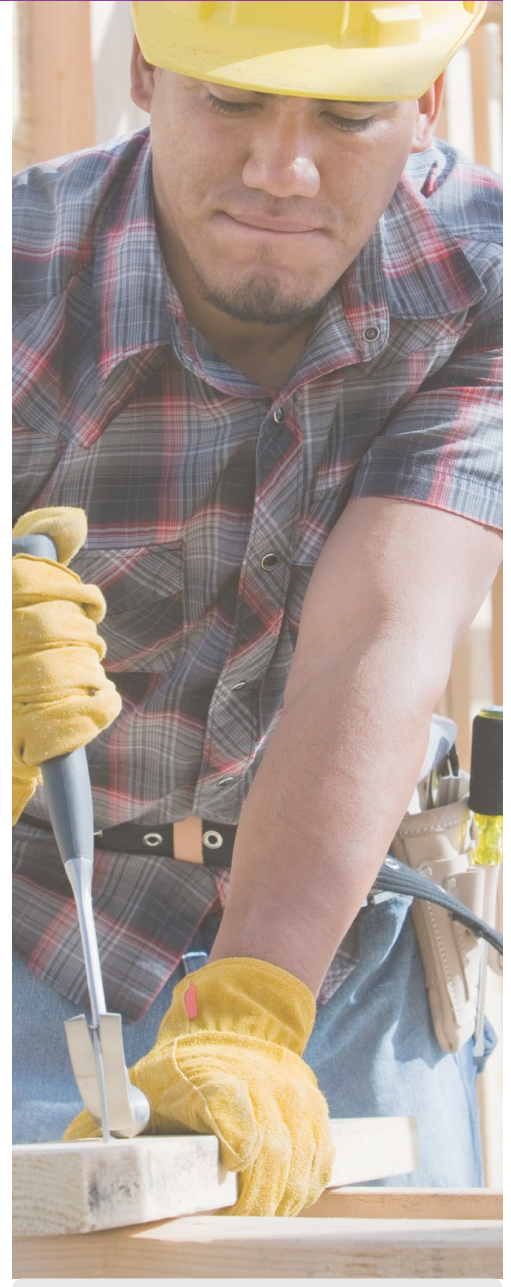
The primary obligation of a former employee claiming unemployment insurance UI claimant is to become reemployed. Required components of a claimant's re-employment plan is to register for job placement assistance with Workforce Services and make at least four new job contacts seeking full time work each week. Failure, without good cause, to comply with these requirements may result in the denial of benefits.

The Department may elect to defer the work registration and work search requirements. A claimant placed in a deferred status is not required to actively seek work, but must meet all other availability requirements of the Unemployment Insurance Act.

With the seasons changing in Utah, a claimant qualifies for a seasonal deferral when:

1. Work is not available in their primary base period (the period of time upon which the UI claim is based) occupation and other suitable work is not available in the area;
2. The majority of the claimants' base period wages are from seasonal employment; and, one of the following:
 - The claimant has a rural zip code that is impacted by tourism;
 - Is weather affected (for example construction industry); or
 - Work is between seasons (for example ski resorts, golf courses, etc.).

For example, federal seasonal workers (wildland firefighters, land management, and forest service) and rural seasonal workers (hospitality and tourist) may be granted a seasonal deferral. These workers are currently deferred through the first week of April 2022. Deferring the work search requirement is one way unemployment helps keep seasonal workers available to be rehired by their employer once work resumes. Without a deferral, employers would run a higher risk of their seasonal workers leaving the area.



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