



Employer ADVISOR

WINTER 2024

2025 UNEMPLOYMENT INSURANCE TAX RATES

FOR 2025, 78% percent of Utah's established employers qualify for the minimum unemployment insurance (UI) tax rate of 0.002 or approximately \$97 per employee per year. In Utah, employers are only taxed on the taxable wage base, which for 2025 is \$48,900. 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. During the pandemic years, the UI trust fund in 22 states went insolvent and those states had to borrow to pay unemployment benefits. Today, four of those states are still paying back their loans with interest and employers in those states will pay higher and higher federal UI taxes until the loans are repaid. Utah's trust fund remained solvent through the pandemic and beyond. As a result, Utah did 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](#).
- For information about how to lower your unemployment insurance taxes, click [here](#).



WHEN WILL I FIND OUT MY UNEMPLOYMENT INSURANCE TAX RATE FOR NEXT YEAR?

If you signed up for electronic correspondence, you were notified Nov. 20. Check your inbox or spam mailbox if you haven't received the notice, otherwise it can be viewed through "Correspondence" in your online account. Printed rate notices were mailed starting Nov. 21. After Dec. 1, a copy of the tax rate notice can be viewed from the "Admin" menu. [Click here](#) to learn where to find employer rate notices online.

If you did not receive your 2024 tax rate notice, please contact us using the online help feature found here or by calling 801- 526-9235 (option 2, then option 1).

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WORK SEARCH DEFERRAL: HELPING SEASONAL EMPLOYERS RETAIN WORKERS

THE PRIMARY OBLIGATION of an unemployment insurance claimant is to become reemployed. Each claimant is required 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.

Workforce Services 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 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 tourism) may be granted a seasonal deferral. These workers are currently deferred through the last week of April 5, 2025. 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 in search of other work.



UTAH AND NATIONAL UNEMPLOYMENT RATE

OCTOBER'S SEASONALLY adjusted unemployment rate is estimated at 3.5%. Approximately 63,800 Utahns are unemployed. Utah's September unemployment rate is unrevised at 3.5%. The October national unemployment rate was unchanged at 4.1%. With the unemployment rate holding steady, the state's labor market continues to exhibit resilience. Additional analysis and tables are available [here](#).

