

<b>EMPLOYMENT AND TRAINING ADMINISTRATION          ADVISORY SYSTEM          U. S. Department of Labor          Washington, D.C. 20210</b>	<b>CLASSIFICATION</b> UI
	<b>CORRESPONDENCE SYMBOL</b> DFAS
	August 1, 2005

**ADVISORY:** UNEMPLOYMENT INSURANCE PROGRAM LETTER NO. 27-05  
**TO:** STATE WORKFORCE AGENCIES  
  
**FROM:** CHERYL ATKINSON s/s  
 Administrator  
 Office of Workforce Security  
  
**SUBJECT:** Preliminary Estimates of Calendar Year (CY) 2005 Average Employer  
 Contribution Rates

1. Purpose. To transmit estimated employer contribution rates for CY 2005.
2. Background. The attached tables contain preliminary estimates of unemployment insurance (UI) average employer contribution rates reported by state agencies. The first table contains estimates for CY 2005 and actual rates for CY 2004 and CY 2003. The rates shown are UI taxes as a percentage of wages up to the state taxable wage base. To permit comparison of data among states with different taxable wage bases, estimated tax rates for each year are also shown based on total wages. The second table ranks the states for CY 2005 by their level of UI taxation relative to total wages.
3. Action Required. State Administrators are requested to provide this information to the appropriate staff.
4. Inquiries. Questions should be directed to the appropriate Regional Office.
5. Attachments. Tabulation of average employer contribution rates: (1) by state, calendar years 2003-2005; (2) by tax rate based on total wages, CY 2005.

<b>RESCISSIONS</b> None	<b>EXPIRATION DATE</b> August 30, 2006
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**AVERAGE EMPLOYER CONTRIBUTION RATES, BY STATE, CALENDAR YEARS 2003-2005**

STATE	TAXBASE \$7,000 EXCEPT AS SHOWN	BASE CHANGE DATE	2005 ESTIMATED		2004 ACTUAL		2003 ACTUAL	
			TAXABLE	TOTAL	TAXABLE	TOTAL	TAXABLE	TOTAL
<b>United States</b>			<b>2.8 %</b>	<b>0.8 %</b>	<b>2.67 %</b>	<b>0.77 %</b>	<b>2.16 %</b>	<b>0.64 %</b>
Alabama	8,000	1/1/1993	2.1	0.6	1.85	0.51	1.71	0.49
Alaska	27,900	1/1/2005	2.5	1.4	2.67	1.68	2.37	1.49
Arizona			1.1	0.3	1.05	0.26	0.83	0.21
Arkansas	10,000	1/1/2004	2.6	0.9	2.53	0.92	2.37	0.86
California			4.4	0.9	4.50	0.85	3.01	0.60
Colorado	10,000	1/1/1998	2.5	0.6	1.88	0.55	1.04	0.31
Connecticut	15,000	1/1/1999	3.0	1.0	3.13	0.92	2.83	0.87
Delaware	8,500	1/1/1987	2.5	0.5	2.07	0.47	1.79	0.41
Dist. of Columbia	9,000	1/1/1995	2.6	0.4	2.42	0.43	2.10	0.39
Florida			2.1	0.6	1.83	0.46	1.34	0.35
Georgia	8,500	1/1/1990	2.1	0.7	2.40	0.63	0.56	0.15
Hawaii	32,300	1/1/2005	1.2	0.8	1.22	0.82	1.71	1.17
Idaho	28,000	1/1/2005	1.3	0.8	1.26	0.85	1.23	0.84
Illinois	10,500	1/1/2005	4.7	0.7	4.13	1.03	2.95	0.72
Indiana			3.2	0.6	2.37	0.56	1.87	0.45
Iowa	20,400	1/1/2005	1.3	0.7	1.57	0.83	1.52	0.82
Kansas	8,000	1/1/1984	3.5	0.9	2.33	0.83	1.79	0.65
Kentucky	8,000	1/1/1982	2.8	0.8	2.58	0.71	2.35	0.67
Louisiana			1.4	0.5	1.76	0.45	1.68	0.44
Maine	12,000	1/1/2000	1.7	0.6	1.51	0.60	1.50	0.61
Maryland	8,500	1/1/1993	2.6	0.7	2.70	0.65	1.47	0.36
Massachusetts	14,000	1/1/2004	4.1	1.1	3.79	1.22	2.49	0.71
Michigan	9,000	1/1/2003	4.5	1.1	4.03	0.99	3.36	0.84
Minnesota	23,000	1/1/2003	1.9	0.8	1.61	0.75	1.36	0.66
Mississippi			2.1	0.7	2.25	0.66	1.69	0.51
Missouri	11,000	1/1/2005	2.1	0.5	1.97	0.51	1.88	0.47
Montana	21,000	1/1/2004	1.2	0.9	1.23	0.81	1.10	0.74
Nebraska			2.5	0.5	1.76	0.45	1.71	0.45
Nevada	22,900	1/1/2005	1.4	0.7	1.36	0.77	1.33	0.76
New Hampshire	8,000	1/1/1994	1.1	0.3	1.92	0.45	1.04	0.25
New Jersey	24,900	1/1/2005	2.0	0.8	1.80	0.81	1.66	0.76
New Mexico	17,200	1/1/2005	0.9	0.4	0.81	0.41	0.98	0.51
New York	8,500	1/1/1999	4.2	0.8	4.27	0.80	4.22	0.82
North Carolina	16,700	1/1/2005	1.8	0.8	1.73	0.76	1.67	0.75
North Dakota	19,400	1/1/2005	1.6	0.9	1.59	0.85	1.54	0.84
Ohio	9,000	1/1/1995	2.3	0.5	2.19	0.59	1.75	0.49
Oklahoma	13,800	1/1/2005	1.5	0.5	1.81	0.82	1.21	0.49
Oregon	27,000	1/1/2004	2.6	1.7	2.77	1.68	2.25	1.37
Pennsylvania	8,000	1/1/1994	5.3	1.2	4.29	1.01	3.98	0.97
Puerto Rico			3.3	2.3	3.30	1.21	3.36	1.26
Rhode Island	16,000	1/1/2005	3.2	1.1	3.19	1.26	3.05	1.10
South Carolina			2.3	0.7	2.23	0.58	1.99	0.53
South Dakota			0.7	0.2	0.75	0.21	0.70	0.20
Tennessee			2.5	0.6	2.73	0.65	2.56	0.63
Texas	9,000	1/1/1989	2.2	0.7	2.40	0.62	2.25	0.61
Utah	23,200	1/1/2005	1.1	0.4	1.06	0.61	0.63	0.37
Vermont	8,000	1/1/1983	2.6	0.6	2.06	0.58	2.00	0.57
Virginia	8,000	1/1/2005	0.2	0.1	1.80	0.42	0.20	0.12
Virgin Islands	18,600	1/1/1991	2.0	0.4	0.20	0.11	0.98	0.24
Washington	30,500	1/1/2005	2.8	1.7	2.81	1.70	2.38	1.40
West Virginia	8,000	1/1/1981	2.8	0.9	2.86	0.87	2.77	0.86
Wisconsin	10,500	1/1/1986	3.0	0.9	2.64	0.83	2.22	0.72
Wyoming	16,400	1/1/2005	1.3	0.6	1.12	0.55	0.82	0.39

NOTE: STATE ESTIMATES WERE FURNISHED BY STATE WORKFORCE AGENCIES

UNITED STATES DEPARTMENT OF LABOR  
EMPLOYMENT AND TRAINING ADMINISTRATION

**STATES ARRAYED BY TAX RATE BASED ON TOTAL WAGES**

	TAXBASE	BASE	2005 AVERAGE		AS OF 07/01/2005 LOANS OUTSTANDING (MILLIONS)
	\$7,000 EXCEPT AS SHOWN	CHANGE DATE	TAXABLE	TOTAL	
Puerto Rico			3.3	2.6	
Washington		1/1/2005	2.8	1.6	
Alaska	30,500	1/1/2005	2.5	1.6	
Oregon	27,900	1/1/2004	2.6	1.5	
Massachusetts	27,000	1/1/2004	4.1	1.3	
Rhode Island	14,000	1/1/2005	3.2	1.3	
Illinois	16,000	1/1/2005	4.7	1.2	
Pennsylvania	10,500	1/1/1994	5.3	1.2	
Michigan	8,000	1/1/2003	4.5	1.1	
Wisconsin	9,000	1/1/1986	3.0	1.0	
Arkansas	10,500	1/1/2004	2.6	1.0	
Kansas	10,000	1/1/1984	3.5	0.9	
New Jersey	8,000	1/1/2005	2.0	0.9	
Minnesota	24,900	1/1/2003	1.9	0.9	\$77
Connecticut	23,000	1/1/1999	3.0	0.9	
Idaho	15,000	1/1/2005	1.3	0.9	
North Dakota	28,000	1/1/2005	1.6	0.9	
California	19,400	1/1/2005	4.4	0.9	
New Hampshire	8,000	1/1/1994	4.2	0.9	
<b>United States</b>			<b>2.8 %</b>	<b>0.8</b>	<b>\$663</b>
West Virginia	8,000	1/1/1981	2.8	0.8	
Hawaii	32,300	1/1/2005	1.2	0.8	
Montana	21,000	1/1/2004	1.2	0.8	
New York	8,500	1/1/1999	4.2	0.8	\$183
Nevada	22,900	1/1/2005	1.4	0.8	
North Carolina	16,700	1/1/2005	1.8	0.8	\$114
Indiana			3.2	0.8	
Kentucky	8,000	1/1/1982	2.8	0.8	
Maine	12,000	1/1/2000	1.7	0.7	
Vermont	8,000	1/1/1983	2.6	0.7	
Iowa	20,400	1/1/2005	1.3	0.7	
Colorado	10,000	1/1/1998	2.5	0.7	
Nebraska			2.5	0.7	
Mississippi			2.1	0.6	
Wyoming	16,400	1/1/2005	1.3	0.6	
Texas	9,000	1/1/1989	2.2	0.6	
Utah	23,200	1/1/2005	1.1	0.6	
Alabama	8,000	1/1/1993	2.1	0.6	
Georgia	8,500	1/1/1990	2.1	0.6	
Maryland	8,500	1/1/1993	2.6	0.6	
Ohio	9,000	1/1/1995	2.3	0.6	
South Carolina			2.3	0.6	
District of Columbia	9,000	1/1/1995	2.6	0.6	
Oklahoma	13,800	1/1/2005	1.5	0.6	
Tennessee			2.5	0.6	
Delaware	8,500	1/1/1987	2.5	0.6	
Florida			2.1	0.6	
Virginia	8,000	1/1/1991	2.0	0.5	
New Mexico	17,200	1/1/2005	0.9	0.4	
Louisiana			1.4	0.4	
Arizona			1.1	0.2	
South Dakota			0.7	0.2	
Missouri	11,000	1/1/2005	2.1	0.5	\$289
Virgin Islands	18,600	1/1/2005	0.2	0.1	

NOTE: STATE ESTIMATES WERE FURNISHED BY STATE WORKFORCE AGENCIES

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