



**For Immediate Release**  
**Date:** September 2, 2011

**Contact: Kerry Koonce**  
**Telephone: (515) 281-9646**

## **Iowa's Employer Unemployment Insurance Tax Tables Improve for 2012** *Tax Tables Move in a Positive Direction*

**DES MOINES, IOWA** – Iowa Workforce Development announced today that employers will see approximately \$96 million dollars in tax savings by moving from tax table three to table four. The average rate will fall from 2.8 percent to 2.4 percent for 2012.

“This is exciting news for Iowa businesses and the economy,” stated Iowa Workforce Development director Teresa Wahlert. “Most states across the country are experiencing significant increases in their tax rates in order to repay the federal government for loans. Due to successful management of our Unemployment Insurance Trust Fund, Iowa did not borrow from the federal government and is reducing the burden on employers.”

In 2012, approximately 52 percent of Iowa businesses will experience a zero rate. Iowa is one of only six states in the country that provides a zero rate within the tax tables. Additionally, the new employer non-construction rate will decrease from 1.9 percent in 2011 to 1.5 percent in 2012.

“The people of Iowa have our commitment to carefully manage the trust fund in the coming year to continue this beneficial trend for Iowa businesses. Iowa has one of the lowest UI tax rates in the nation,” stated Wahlert.

Iowa Workforce Development is the state agency charged with collecting unemployment insurance taxes from employers and operating Iowa's unemployment insurance payment programs for workers. Annually, Iowa Workforce Development identifies the appropriate table for the following year. Unemployment tax rates are based on wages and recent unemployment benefit payments. In 2011, the tax rate will move favorably to table four.

Due to the design of Iowa's unemployment tax system developed under Governor Branstad's administration in the 1980's and Iowa Workforce Development's diligent oversight of the UI Trust Fund throughout the national recession and initial recovery, Iowa businesses will benefit with an average decrease in taxes.

Throughout the state, Iowa Workforce Development provides critical services and resources to support the prosperity, productivity, health and safety of Iowans and their communities. Services are available in 16 regional centers, three satellite offices and hundreds of Access Points.

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