

**Subject** Temporary Experience Rating

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## Overview

This bill makes temporary changes to determining taxpaying employers' experience ratings for 2021.

## Summary

Section	Description
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| 1 | <p><b>Calendar year 2021 temporary employer experience rating.</b></p> <p>Temporarily modifies the period used to calculate a taxpaying employer's experience rating for calendar year 2021. The experience rating is calculated each year for a taxpaying employer and is part of their unemployment insurance tax rate. Generally the experience rating increases the more unemployment that an employer's workers experience. For 2021, an existing taxpaying employer's experience rating would be based on the rate calculated for the period ending June 30, 2019. For a new taxpaying employer, the industry average experience rating used for their 2021 experience rating would be based on the average rate calculated for the period ending June 30, 2019. Meaning that 2021 experience ratings would effectively remain unchanged from calendar year 2020.</p> |
| 2 | <p><b>Taxable wages for calendar year 2021.</b></p> <p>Temporarily changes the amount of taxable wages used to calculate a taxpaying employer's experience rating for calendar year 2021. Taxable wages would include wages up to \$35,000, the same amount used in calendar year 2020.</p>   |