

**NEWS RELEASE**

**For Statewide Distribution**



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**Iowa's Employer Unemployment Insurance Tax Tables Improve for 2013  
*Tax Tables Move in a Positive Direction, 2<sup>nd</sup> Year in a Row***

**DES MOINES, IOWA** – Iowa Workforce Development announced today that employers will see approximately \$100 million dollars in tax savings by moving from tax table four to table five. The average rate will fall from 2.4 percent to 2.0 percent for 2013.

“This is exciting news for Iowa businesses and the economy,” stated Iowa Workforce Development director Teresa Wahlert. “While states across the country have struggled with the stability of their Unemployment Insurance Trust Funds, Iowa has moved the rates in a positive direction for businesses two years in a row.”

In 2013, over 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 1.5 percent in 2012 to 1.1 percent in 2013.

“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 2013, the tax rate will move favorably to table five.

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 15 regional centers, four satellite offices and hundreds of Access Points.

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