



Unemployment Flash Report

Volume 2, Issue 3

January 30, 2012

New Information

- **TALX BLOG!!!** For the very latest information join us on our blog. <http://blog.talx.com/>
- **Federal Form 940**, Federal Unemployment Tax Return is due this week. TALX clients: Don't forget to send us a copy of the completed form including Schedule A if your company pays unemployment tax in more than once state. This will allow us to have a complete record of your unemployment tax filings.
- **Colorado** recently issued a flyer about a change in their law that allows a postmark to determine timeliness of quarterly contribution reports. Previously, reports had to be **received** by the due date. It also mentions the increase in the taxable wage base from \$10,000 to \$11,000 for 2012. See page 6 for a copy of the flyer.
- **Florida** will be issuing their 2012 Unemployment Tax Assessment Notices for Interest on Federal Advances this week. This is the same type of assessment notices issued last year at this time to pay the interest on the state's federal loan. The amount due will be 0.092% (0.136% in 2011) of taxable payroll for the period July 1, 2010 through June 30, 2011. Payment will be due June 30, 2012.
- **Michigan** - The Michigan Unemployment Insurance (UI) Agency recently issued a "Notice To Employers" about the new SIDES program (State Information Data Exchange System). SIDES is an initiative that will eliminate paper claims in favor of a secure electronic exchange of separation information between the UI agency and third party administrators. TALX is working with the Michigan UI Agency on the SIDES program. We will complete the transition to SIDES in the near future, and until then our current claims processes remain in tact. The move to SIDES should be seamless; you need not take any special action. Simply continue to provide your claim representative with complete, accurate and timely separation information, when requested. Clients may disregard the notice. See page 7 for a copy.
- **Unemployment Update:** In the week ending January 21, the advance figure for seasonally adjusted **initial claims** was 377,000, an increase of 21,000 from the previous week's revised figure of 356,000. The 4-week moving average was 377,500, a decrease of 2,500 from the previous week's revised average of 380,000.



For the very latest updates and breaking news, follow our blog at <http://blog.talx.com/>

Category: Employer Tax Services

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General Commentary

- There are now a total of 28 jurisdictions borrowing federal funds totaling more than \$38.4 billion as reported by the US Treasury as of this report date.

Title XII Advance Activities Schedule

As of: January 26, 2012

State	Outstanding Advance Balance	Advance Authorization Current Month
Alabama	55,067,308.58	50,000,000.00
Arizona	394,190,285.20	60,000,000.00
Arkansas	330,853,382.53	0
California	10,199,353,510.29	800,000,000.00
Colorado	382,220,533.06	85,000,000.00
Connecticut	709,875,582.98	0
Delaware	67,854,867.88	8,000,000.00
Florida	1,832,450,000.00	200,000,000.00
Georgia	721,080,472.00	75,000,000.00
Illinois	2,329,421,416.63	380,000,000.00
Indiana	2,029,985,029.65	88,000,000.00
Kansas	92,757,094.62	65,000,000.00
Kentucky	948,700,000.00	65,000,000.00
Michigan	118,325,939.46	125,000,000.00
Minnesota	252,030,225.95	300,000,000.00
Missouri	770,291,181.55	80,000,000.00
Nevada	802,201,444.76	75,000,000.00
New Jersey	1,635,405,982.72	285,000,000.00
New York	3,654,039,447.15	330,000,000.00
North Carolina	2,747,125,994.23	175,000,000.00
Ohio	2,155,572,574.00	175,000,000.00
Pennsylvania	3,471,288,267.35	350,000,000.00
Rhode Island	249,555,752.27	37,000,000.00
South Carolina	782,456,436.93	0
Vermont	77,731,860.63	10,000,000.00
Virginia	318,315,000.00	51,000,000.00
Virgin Islands	31,914,129.65	1,500,000.00
Wisconsin	1,312,691,409.27	300,000,000.00
Totals	38,472,755,129.34	4,390,500,000.00

FUTA Credit Reduction

Why is the FUTA Tax Credit Reduced?

If a state has an outstanding loan balance on January 1st of two consecutive years and has not repaid the required amount by November 10th of the second year, employers in that state are at risk of losing a portion of their FUTA tax credit for that year. The credit is reduced by 0.30% for each year the payment remains outstanding beyond the second year of the loan. In the first year of the state FUTA tax credit loss, the effective FUTA tax rate increases from 0.80% to 1.10%, or from 0.6% to 0.9% starting July 1, 2011 with the expiration of the 0.2% "temporary" surtax that was allowed to expire on June 30, 2011.

Based on the statutory Title XII loan repayment requirements, the states to the right with rates listed under the "Actual" columns did not repay their outstanding Title XII loan balance by November 10, 2011. Employers will lose a portion of their FUTA tax credit on the 2011 Federal 940 resulting in a higher effective FUTA tax rate as indicated on the chart for all employment in that state.

The rates listed in the "Potential" columns are projected assuming Title XII loans on those states will not be repaid by November 10th of the applicable year.

State	Effective FUTA Tax Rate				
	Actual		Potential		
	2011 1/1-6/30	2011 7/1-12/31 ¹	2012 ¹	2013 ¹	2014 ¹
Alabama			1.20%	1.50%	1.80%
Arizona			0.90%	1.20%	1.50%
Arkansas	1.10%	0.90%	1.20%	1.50%	1.80%
California	1.10%	0.90%	1.20%	1.50%	1.80%
Colorado			0.90%	1.20%	1.50%
Connecticut	1.10%	0.90%	1.20%	1.50%	1.80%
Delaware			0.90%	1.20%	1.50%
Florida	1.10%	0.90%	1.20%	1.50%	1.80%
Georgia	1.10%	0.90%	1.20%	1.50%	1.80%
Illinois	1.10%	0.90%	1.20%	1.50%	1.80%
Indiana	1.40%	1.20%	1.50%	1.80%	2.10%
Kansas			0.90%	1.20%	1.50%
Kentucky	1.10%	0.90%	1.20%	1.50%	1.80%
Michigan ²	1.70%	1.50%	0.60%	0.60%	0.60%
Minnesota	1.10%	0.90%	1.20%	1.50%	1.80%
Missouri	1.10%	0.90%	1.20%	1.50%	1.80%
Nevada	1.10%	0.90%	1.20%	1.50%	1.80%
New Jersey	1.10%	0.90%	1.20%	1.50%	1.80%
New York	1.10%	0.90%	1.20%	1.50%	1.80%
North Carolina	1.10%	0.90%	1.20%	1.50%	1.80%
Ohio	1.10%	0.90%	1.20%	1.50%	1.80%
Pennsylvania	1.10%	0.90%	1.20%	1.50%	1.80%
Rhode Island	1.10%	0.90%	1.20%	1.50%	1.80%
South Carolina ³			1.50%	1.80%	2.10%
Vermont			0.90%	1.20%	1.50%
Virgin Islands	1.10%	0.90%	1.20%	1.50%	1.80%
Virginia	1.10%	0.90%	1.20%	1.50%	1.80%
Wisconsin	1.10%	0.90%	1.20%	1.50%	1.80%

¹Reflects the expiration of the 0.2% "temporary" surtax that was allowed to expire on June 30, 2011.

²The state of Michigan repaid the entire balance of their loan thus eliminating the need for a credit reduction in 2012 and beyond.

³The state of South Carolina expects to be able to make loan payments large enough to qualify for credit reduction exemptions in 2012, 2013 and 2014. If the payment is made by November 10th of the applicable years and the USDOL approves, the FUTA effective rate would be reduced to 0.6%.

2012 Unemployment Tax Rate and Wage Base Information

New Rate Information:

Connecticut

- Rates effective January 1, 2012 were issued on January 27, 2012.
- The minimum rate is 1.90%.
- The maximum rate is 6.80%.
- The Fund Tax remains at 1.40%.
- The taxable wage base remains \$15,000 for 2012.

Indiana

- Rates effective January 1, 2012 were issued on January 27, 2012.
- The minimum rate is 0.54%.
- The maximum rate is 7.9920%.
- Rate Schedule E remained in effect; however, the surcharge to pay interest on the Title XII loan decreased from 13% to 8%.
- The taxable wage base remains \$9,500 for 2012.

Mississippi

- Rates effective January 1, 2012 were issued on January 18, 2012.
- The minimum rate is 0.95%.
- The maximum rate is 5.40%.
- The General Experience Rate increased from 0.70% to 0.80%, and the Training Contribution Rate remained at 0.15%.
- The taxable wage base remains \$14,000 for 2012.

2012 Unemployment Tax Rate and Wage Base Information

State	Mailing Date	Voluntary Contribution Deadline	Protest Deadline	Wage Base	Min. Rate	Max. Rate	State	Mailing Date	Voluntary Contribution Deadline	Protest Deadline	Wage Base	Min. Rate	Max. Rate
AK ¹	12/1/2011	NA	1/4/2012	35,800	1.3100%	5.4000%	NC ¹	11/29/2011	12/29/2011	5/1/2012	20,400	0.0000%	6.8400%
AL ¹	12/1/2011	NA	1/3/2012	8,000	1.2500%	7.4000%	ND ¹	12/8/2011	4/30/2012	12/23/2011	27,900	0.2000%	9.9100%
AR ¹	12/15/2011	3/31/2012	1/17/2012	12,000	1.2000%	11.1000%	NE ¹	12/5/2011	1/10/2012	1/4/2012	9,000	0.0000%	6.4900%
AZ ¹	1/6/2012	1/31/2012	1/23/2012	7,000	0.6200%	6.9800%	NH ¹	8/26/2011	NA	9/9/2011	14,000	1.1000%	9.5000%
CA ¹	12/31/2011	N/A	2/28/2012	7,000	1.6000%	6.2000%	NJ ¹	7/29/2011	8/29/2011	8/29/2011	30,300	0.6000%	6.4000%
CO ¹	11/30/2011	3/14/2012	12/20/2011	11,000	1.0000%	11.0200%	NM ¹	1/1/2012	3/1/2012	1/31/2012	22,400	0.6000%	5.4000%
CT ¹	1/27/2012	NA	None	15,000	1.9000%	6.8000%	NV ¹	12/22/2011	NA	1/6/2012	26,400	0.3000%	5.4000%
DC ¹	1/5/2012	NA	2/4/2012	9,000	1.8000%	7.2000%	NY ²	2/8/2012	3/31/2012	30 days	8,500		
DE ¹	12/16/2011	NA	1/3/2012	10,500	0.3000%	8.2000%	OH ¹	11/23/2011	1/3/2012	12/23/2011	9,000	0.7000%	9.1000%
FL ¹	12/13/2011	NA	1/3/2012	8,500	2.0200%	5.4000%	OK ¹	9/30/2011	NA	10/20/2011	19,100	0.3000%	9.2000%
GA ¹	1/4/2012	2/3/2012	None	8,500	0.0300%	7.2900%	OR ¹	11/15/2011	NA	12/5/2011	33,000	2.2000%	5.4000%
HI ²	3/10/2012	NA	15 days	38,800			PA ²	2/29/2012	30 days	90 days	8,000		
IA ¹	11/30/2011	NA	12/30/2011	25,300	0.0000%	9.0000%	PR ²	2/1/2012	NA	30 days	7,000		
ID ¹	12/15/2011	NA	12/29/2011	34,100	0.9600%	6.8000%	RI ¹	1/3/2012	NA	1/31/2012	19,600 21.100 ³	2.2000%	10.3000%
IL ¹	12/15/2011	NA	12/30/2011	13,560	0.5500%	9.4500%	SC ¹	12/19/2011	NA	1/18/2012	12,000	0.0980%	8.6860%
IN ¹	1/27/2012	2/26/2012	2/11/2012	9,500	0.5400%	7.9920%	SD ¹	11/21/2011	12/31/2011	12/6/2011	12,000	0.0000%	10.0300%
KS ¹	11/8/2011	12/7/2011	11/23/2011	8,000	0.1100%	9.4000%	TN ¹	8/29/2011	NA	9/28/2011	9,000	1.1000%	10.6000%
KY ¹	12/1/2011	12/21/2011	12/21/2011	9,000	1.0000%	10.0000%	TX ¹	12/6/2011	2/10/2012	12/12/2014	9,000	0.5200%	7.5800%
LA ¹	12/27/2011	1/27/2012	1/17/2012	7,700	0.1000%	6.2000%	UT ¹	11/29/2011	NA	12/29/2011	29,500	0.5000%	9.5000%
MA ²	3/4/2012	30 days	6/20/2012	14,000			VA ¹	12/1/2011	NA	None	8,000	0.8300%	6.9300%
MD ¹	1/13/2012	NA	1/30/2012	8,500	2.2000%	13.5000%	VI ²	1/10/2012	NA	15 days			
ME ¹	12/30/2011	1/31/2012	1/31/2012	12,000	0.9400%	8.1600%	VT ¹	6/22/2011	NA	7/22/2011	16,000	1.3000%	8.4000%
MI ²	1/30/2012	30 days	30 days	9,500			WA ¹	12/7/2011	2/15/2012	1/6/2012	38,200	0.1700%	5.8400%
MN ¹	12/9/2011	4/29/2012	12/29/2011	28,000	0.67285%	10.86958%	WI ¹	10/11/2011	11/30/2011	None	13,000	0.2700%	9.8000%
MO ¹	11/15/2011	1/17/2012	12/15/2011	13,000	0.0000%	9.7500%	WV ¹	12/9/2011	1/13/2012	1/13/2012	12,000	1.5000%	8.5000%
MS ¹	1/18/2012	NA	2/17/2012	14,000	0.9500%	5.4000%	WY ¹	12/16/2011	NA	1/17/2012	23,000	0.6500%	10.0000%
MT ¹	12/13/2011	NA	1/12/2012	27,000	1.0000%	6.3000%	FUTA	NA	NA	NA	7,000		

¹ State has issued rate notices and these deadlines are confirmed.

² Anticipated mailing date and deadlines

³ The higher taxable wage base only applies to maximum rated employers

Colorado Department of Labor and Employment
Unemployment Insurance Employer Services
P.O. Box 8789, Denver, CO 80201-8789
303-318-9100 (Denver-metro area) or 1-800-480-8299 (outside Denver-metro area)

Date
Colorado Employer Account Number

IMPORTANT INFORMATION ABOUT UNEMPLOYMENT INSURANCE PREMIUMS

Use of Postmark Date

Effective in January 2012, the Colorado Unemployment Insurance Program is reverting to taking into account the postmark date when determining the timeliness of your unemployment premium payment and receipt of your quarterly reports, which consists of Forms UITR-1, Your Quarterly Report of Wages Paid and Premiums Owed, UITR-1a, Your Report of Individual Employee's Wages, and/or UITR-1c, Your Report of Individual Seasonal Employee's Wages.

The rules associated with the consideration of postmark for these reports are in effect as an emergency rule and will be changed permanently. Thus, the postmark date will be taken into account for your premium payments and quarterly reports due January 31, 2012. If you file your reports electronically or drop them off in person, the reports must be received by January 31, 2012. If you mail your premium payments or reports, they must be postmarked on or before January 31, 2012.

Chargeable Wages

Effective January 1, 2012, the amount of chargeable wages increased from \$10,000 to \$11,000. Beginning with your 2012 quarterly reports, you will pay premiums on the first \$11,000 of wages paid to each employee. The first 2012 quarterly report is due on April 30.

The increase is due to a law, House Bill 11-1288, that was passed in 2011 concerning unemployment insurance solvency. Many of the other changes that are associated with that law will go into effect at a later time. Our Web site will be updated with all the changes in the near future, and they will be communicated to you before they go into effect.

Rate Notice

You received your 2012 rate notice in late 2011. Please be sure to use that rate on the first 2012 quarterly report due on April 30, not on the report that is due January 31, 2012. Your 2011 rate still applies to the report due at the end of January.

UIA 1575 Insert
(12-11)



RICK SNYDER
GOVERNOR

STATE OF MICHIGAN
DEPARTMENT OF LICENSING AND REGULATORY AFFAIRS
UNEMPLOYMENT INSURANCE AGENCY
STEVE ARWOOD
DIRECTOR

STEVEN H. HILFINGER
DIRECTOR

NOTICE TO EMPLOYERS

Effective December 7, 2011, the Michigan Unemployment Insurance Agency is implementing a new program known as State Information Data Exchange System (SIDES). This new program will allow participating employers and third party administrators (TPAs) to submit separation information electronically. SIDES is a secure electronic exchange which will provide a single point of contact for the agency and participating employers and third party administrators.

IMPORTANT: If you are a State Information Data Exchange System (SIDES) participating employer or are represented by a third party administrator (TPA) who is participating in SIDES, do not complete and return the enclosed form. You or your TPA will respond electronically to the request sent by the agency as part of the SIDES agreement.

If you have any questions regarding this notice, contact Office of Employer Ombudsman at 1-855-484-2636 (TTY customers use 1-866-366-0004).

LARA is an equal opportunity employer/program. Auxiliary aids, services and other reasonable accommodations are available upon request to individuals with disabilities.