

# ALERT

## Significant Increases to Florida Unemployment Tax Rate and Base

Facing the highest unemployment rate since 1975, the State of Florida is borrowing approximately \$300 million per month to pay unemployment compensation benefits. Due to this deficit, effective January 1, 2010, an employee's taxable wages for unemployment will increase from \$7,000 to \$8,500 and the current tax rates will increase as follows:

*Current Rates* (based on annual salary up to \$7,000 per employee):

*Minimum Rate:* 0.0012 (\$8.40) per employee

*Maximum Rate:* 0.0540 (\$378.00) per employee

*New Rates effective January 1, 2010* (based on annual salary up to \$8,500 per employee):

*Minimum Rate:* 0.0118 (\$100.30) per employee

*Maximum Rate:* 0.0540 (\$459.00) per employee

These rate increases will have a *significant* impact on privately owned businesses throughout the State of Florida who are currently paying unemployment compensation benefits to former employees. To learn more about these taxes and how they will affect your business, contact your LBA professional today at 904.396.4015.



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