



For Immediate Release

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Iowa's Employer Unemployment Insurance Tax Tables Continue Improvement in 2015 ***Tax Tables Move in a Positive Direction, 4th Year in a Row***

DES MOINES, IOWA – Iowa Workforce Development announced today that employers will see approximately \$108 million dollars in tax savings by moving from tax table six to table seven. The last time unemployment insurance taxes were this low was 2002. The average rate will fall from 1.6 percent to 1.2 percent for 2015.

"Due to Iowa's strong economic condition, Iowa employers will see significant tax savings," said Iowa Gov. Terry Branstad. "Today's announcement is yet another indication that Iowa is working."

This marks the fourth year in a row of employer tax reductions. Since the announcement of Tax Table 4 for calendar year 2012, businesses have saved over \$409 million in tax payments.

"Iowa continues to demonstrate stability within the Unemployment Insurance Trust Funds and has moved the tax rates in a positive direction for businesses four years in a row," stated Iowa Workforce Development Director Teresa Wahlert.

Under Tax Table 7, the new employer non-construction rate will be 1.0 percent in 2015, the lowest permitted rate by federal law.

"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.

"Governor Branstad and I are pleased to announce that the unemployment insurance tax for employers has dropped to a 12-year low," said Iowa Lt. Gov. Kim Reynolds. "The progress we're making in growing Iowa's economy has meant a reduction in the tax tables for four straight years. This news, along with the fact that over 146,000 jobs have been created since 2011, shows the Iowa continues to move forward."

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 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 Virtual Access Points.

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