



## 2018 New Employer Rates

### What is a New Employer?

A “new employer” is an employer who:

- has not been a covered employer throughout the entire three fiscal years ending September 30, 2017 (October 1, 2014 through September 30, 2017) and
- has paid more in contributions than the amount of benefits charged to the employer’s account.

### How are New Employer Rates Assigned?

“New employers” are assigned the average contribution rate of employers classified in their industry. There are ten “new employer” rate classifications. In addition to the new employer rate, an Administrative Fund Tax (AFT) of 0.18% is assigned. The total rate is the contribution rate plus the AFT rate.

Classification	2018 Contribution Rate	2018 AFT Rate	2018 Total Rate
Agriculture, Forestry, Hunting and Fishing	1.70%	+ 0.18	= 1.88%
Construction	2.70	+ 0.18	= 2.88
Finance, Insurance and Real Estate	1.00	+ 0.18	= 1.18
Manufacturing	1.40	+ 0.18	= 1.58
Mining	1.50	+ 0.18	= 1.68
Retail Trade	1.00	+ 0.18	= 1.18
Services	1.20	+ 0.18	= 1.38
Utilities, Transportation, and Warehousing	1.10	+ 0.18	= 1.28
Wholesale Trade	1.00	+ 0.18	= 1.18
Unclassified Establishments (employers that have not provided the Department with enough information for a classification to be assigned)	2.70	+ 0.18	= 2.88

If a new employer operates more than one type of business under the same entity, for example a casino (Services) and restaurant (Retail Trade), revenue or employment may be used to determine the industrial classification. If you have questions concerning the industrial classification to which your business is assigned, please call the Department of Labor and Industry, Research and Analysis Bureau at (406) 444-3476 or (406) 444-3294. If you have questions about the rate assigned to your business, contact the UI Contributions Bureau at 406-444-3834.

### What is a Penalty Rate?

Employers who have a balance due or have not filed all reports when rates are calculated will receive a “penalty rate”. A penalty rate is 50% higher than the New Employer rate assigned. All money and report delinquencies must be resolved by January 19, 2018 to avoid a penalty rate.

### 2018 Taxable Wage Base is \$32,000

The taxable wage base for 2018 is \$32,000, which is 80% of the 2016 average annual wage in Montana. Once an employee’s wages exceed the year’s taxable wage base, the wages are not taxed for Unemployment Insurance. All experience rated employers have the same taxable wage base.