

**Governmental Contributory Employers:
2009 Explanation of Notice of Unemployment Insurance
Contribution (Tax) Rate (form 65-5306) and Appeal
Procedures**

This page explains the numbered items on your Notice of Unemployment Insurance Contribution (Tax) Rate. We also tell you how to appeal.

1. **CALENDAR YEAR** is the year the tax rate affects.
CONTRIBUTION RATE is the percent used to calculate your taxes for the calendar year.
TAXABLE WAGE BASE is the maximum taxable amount for the calendar year.
 - In other words, DO NOT pay taxes on an individual's wages beyond this amount.
2. Ignore the information on the back of the rate notice as it applies to private employers.
3. The **COMPUTATION DATE** is the cut-off date for calculating the tax rate.
4. **AVERAGE ANNUAL TAXABLE PAYROLL** is an average of taxable wages you paid employees. It is based on the length of time you've been required to send us reports.
 - One third of the taxable wages paid during the 12 calendar quarters before the computation date.
 - One half of the taxable wages paid during the 8 calendar quarters before the computation date.**NOTE**-If items 4, 8 and 9 show "not applicable" or "N/A," you have been assigned the base rate (see item 10).
5. This is the **TOTAL TAX** you paid.
6. This is the **TOTAL CHARGES** for unemployment benefits paid to your former employees.
7. **RESERVE BALANCE** is the difference between total taxes paid and total charges (items 5 - 6).
 - The balance is positive if your taxes paid are more than benefits charged.
 - The balance is negative if your benefits charged are more than taxes paid.
8. **PERCENT OF EXCESS CONTRIBUTIONS** is your reserve balance (item 7) divided by your average taxable payroll (item 4).
 - This percent is positive if your balance is positive.
 - It is negative if your balance is negative.
9. **PERCENT OF EXCESS RANK** is how your percent of excess contributions (item 8) compares to all other governmental contributory employers.
 - Employers are grouped into seven separate ranks.
 - Each rank contains approximately one-seventh of the total taxable wages paid during the 4 calendar quarters before the computation date.

10. **BASE RATE** is calculated annually. The base rate is the sum of the benefits charged to all governmental contributory employers in the previous calendar year divided by the total taxable wages reported for that same year. The base rate becomes rank 4 of the rate table below.

RATE INFORMATION FOR 2009

Percent of Excess

Rank	From	To	Rate
1	2.9647%	HIGHEST%	0.00%* Base Rate less 0.9%
2	2.6283%	2.9646%	0.00%* Base Rate less 0.6%
3	2.5334%	2.6282%	0.00%* Base Rate less 0.3%
4	2.3909%	2.5333%	0.00%* BASE RATE (0.00%)
5	2.2747%	2.3908%	0.30% Base Rate plus 0.3%
6	1.9754%	2.2746%	0.60% Base Rate plus 0.6%
7	LOWEST%	1.9753%	0.90% Base Rate plus 0.9%

* You are NOT assigned a rate less than 0.10% unless your percent of excess contributions (item 8) is greater than 5.0000%.

If you are a new governmental contributory employer, your rate for 2009 is 0.10%.

Appeals Must:

1. Be in **writing**
2. Be filed **within 30 days** of the rate notice date
3. State that it is an **appeal**
4. Give the **grounds** for the appeal. Grounds include:
 - an error in the rate
 - a favorable claims decision received since the rate computation date or that you expect to receive on an appeal now in progress
 Grounds do not include "fairness" or "financial hardship". We cannot reduce rates that are correctly calculated.
5. Include your Iowa **Employer Account Number**.
6. Be **mailed** to:

Iowa Workforce Development
Unemployment Insurance Division - Tax Bureau
1000 East Grand Avenue
Des Moines, Iowa 50319-0209

QUESTIONS?

Call 800-972-2024 or 515-281-5339



Equal Opportunity Employer/Program
Auxiliary aids and services are available upon request to individuals with disabilities.
For deaf and hard of hearing, use Relay 711.
70-5016 (10-08)