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Great News! Employers To See Unemployment Tax Bills Drop In 2020, Michigan Chamber Reports

LANSING, Mich., Dec. 20, 2019 /PRNewswire/ -- The Michigan Chamber of Commerce applauds news coming out of the Unemployment Insurance Agency (UIA) today that the Unemployment Insurance (UI) obligation assessment will be coming off employer's unemployment insurance tax bills in early 2020.

"This is great news for employers and employees alike," saidWendy Block, Vice President of Business Advocacy for the Michigan Chamber. "The UI Obligation Assessment has been on every employer's UI tax bill since 2011 when the state bonded for over $3 billion in debt owed to the federal government for its 100-percent employer-financed UI system."

"In retiring these bonds, employers will be relieved of the per-employee obligation assessment they have been paying since 2012," added Block.

"Michigan took on these bonds as a result of the state's record period of unemployment duringMichigan's Great Recession," said Jim Holcomb, Executive Vice President for the Michigan Chamber. "The good news is that these bonds are being paid off early and employers will finally be relieved of these onerous assessments."

"Freed of this tax obligation, employers will be able to reinvest their businesses and double down on activities such as training and retraining top talent," concluded Block. "Although the base obligation assessment rate is $65 per employee, some employers are paying as much as $217 per employee, so the savings could be significant."

The Michigan Chamber is a statewide business organization representing nearly 6,000 employers, trade associations and local chambers of commerce who employ over one million Michigan residents. It was established in 1959 to be an advocate for Michigan's job providers in the legislative, political and legal process.

SOURCE Michigan Chamber of Commerce

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