



## 2008 Unemployment Taxable Wage Bases (Initial Update)

August 2007

### Situation

The taxable wage base is the maximum amount of wages (per employee) subject to federal and state unemployment taxes in a calendar year. The taxable wages are the amount upon which an employer pays unemployment taxes to the state. As these limits are reviewed and adjusted (annually) the changes can affect overall tax liability in a given state.

### Solution

Many states will start to finalize unemployment taxable wage base limits (for 2008) over the next several months. Listed below is current information that the TALX legislative team has been able to uncover.

<u>State</u>	<u>Wage Base</u>	<u>State</u>	<u>Wage Base</u>	<u>State</u>	<u>Wage Base</u>	<u>State</u>	<u>Wage Base</u>
AK	(1)	ID	(1)	NC	(1)	SC	\$7,000
AL	\$8,000	IL	<b>\$12,000</b>	ND	(1)	SD	<b>\$9,000</b>
AR	(2)	IN	(2)	NE	\$9,000	TN	\$7,000
AZ	\$7,000	KS	\$8,000	NH	\$8,000	TX	\$9,000
CA	\$7,000	KY	(2)	NJ	(1)	UT	(1)
CO	\$10,000	LA	\$7,000	NM	(1)	VA	\$8,000
CT	\$15,000	MA	(2)	NV	(1)	VI	(1)
DC	(2)	MD	(2)	NY	(2)	VT	\$8,000
DE	<b>\$10,500</b>	ME	\$12,000	OH	\$9,000	WA	<b>\$34,000</b>
FL	(2)	MI	\$9,000	OK	(3)	WI	(2)
GA	(2)	MN	(1)	OR	(3)	WV	\$8,000
HI	\$13,000	MO	<b>\$12,000</b>	PA	(2)	WY	<b>\$20,100</b>
IA	<b>\$22,800</b>	MS	\$7,000	PR	(2)	FUTA	\$7,000
		MT	(1)	RI	(3)		

**Red/BOLD – Denotes increase in the unemployment taxable wage base over 2007**

(1) – Expected to increase in 2008

(2) – Unless there are legislative changes, no increase expected in 2008

(3) – Level of state trust fund balance will determine potential change for 2008

Many employers are planning mergers, acquisitions, reorganizations and divestitures on **January 1**. Based on changes in the **taxable wage bases** and unemployment tax laws – analyzing the impact on employment taxes is critical. For more information, please contact your tax consultant or Pete Krieshok at 314-214-7325 or via email at [pkrieshok@talx.com](mailto:pkrieshok@talx.com).