



New Employer Rates for 2021

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, 2020 (October 1, 2017 through September 30, 2020) and
- Has paid more in contributions than the 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.

Classification	2021 UI Rate		2021 AFT Rate		2021 Total Cost
A - Agriculture, Forestry, Hunting and Fishing	1.50 %	+	0.18 %	=	1.68 %
B - Mining	1.10	+	0.18	=	1.28
C - Construction	2.40	+	0.18	=	2.58
D - Manufacturing	1.10	+	0.18	=	1.28
E - Utilities, Transportation, Warehousing	1.00	+	0.18	=	1.18
F - Wholesale Trade	1.00	+	0.18	=	1.18
G - Retail Trade	1.00	+	0.18	=	1.18
H - Finance, Insurance, and Real Estate	1.00	+	0.18	=	1.18
I - Services	1.00	+	0.18	=	1.18
Unclassified Establishments *	2.40	+	0.18	=	2.58

* These employers have not provided the Department with enough information to assign a classification.

If a new employer operates more than one type of business under the same entity, for example a casino (Services) and a restaurant (Retail Trade), revenue or employment may be used to determine the industrial classification. If you have questions concerning the industrial classification 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, option 3.

What is a Penalty Rate?

Employers who have a balance due or have not filed all reports when rates are calculated in December will receive a "penalty rate". A penalty rate is 50% higher than the computed rate. To remove a penalty rate, an employer must file all delinquent reports and pay any tax, late file penalties and interest due by **February 5, 2021**.

What is the Taxable Wage Base for 2021?

The taxable wage base for 2021 is \$35,300, which is 80% of Montana's 2019 average annual wage (\$44,135) rounded to the nearest \$100.

Can I e-file quarterly UI reports?

Yes, we encourage it! To set up online access, go to uieservices.mt.gov. To help with the initial security questions, have the last quarterly report filed for your business on hand. For help getting started, contact our Customer Support team at (406) 444-3834, option 2.