



This page explains the numbered items on your Notice of Tax Rate and how to appeal.

1. **Average Annual Taxable Wages** is an average of taxable wages you paid employees. It is based on the length of time you've been required to submit 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 5 and 6 show "Not Eligible", you have been assigned the base rate (see item 7).
2. This is the **Total Tax** you paid.
3. This is the **Total Benefit Charges** for unemployment benefits paid to your former employees.
4. **Reserve Balance** is the difference between total taxes paid and total charges (items 2 - 3).
 - 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.
5. **Percent of Excess Contributions** is your reserve balance (item 4) divided by your average annual taxable payroll (item 1).
 - This percent is positive if your balance is positive.
 - It is negative if your balance is negative.
6. **Percent of Excess Rank** is how your Percent of Excess Contributions (item 5) 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.
7. **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.

Percent of Excess						
Rank	From	To	Rate			
1	3.8921%	HIGHEST	0.100%	Base Rate less	0.900%	
2	3.7142%	3.8920%	0.100%	Base Rate less	0.600%	
3	3.5459%	3.7141%	0.100%	Base Rate less	0.300%	
4	3.3587%	3.5458%	0.100%	BASE RATE	-0.600%	
5	3.1381%	3.3586%	0.100%	Base Rate plus	0.300%	
6	3.0177%	3.1380%	0.100%	Base Rate plus	0.600%	
7	LOWEST	3.0176%	0.300%	Base Rate plus	0.900%	

Note: You are **not** assigned a rate less than 0.100% unless your percent of excess contributions (item 5) is greater than 5.0000%. If you are a new governmental contributory employer, your rate for 2026 is **0.100%**.

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 taxable wages, tax paid and/or benefit charges
 - a favorable claims decision issued (or expect to be issued) since the rate computation dateGrounds **do not include** "fairness" or "financial hardship". We cannot reduce rates that are correctly calculated.
5. Include your Iowa **UI Account Number**
6. Be **mailed to**: Iowa Workforce Development
Unemployment Insurance Tax Bureau
1000 E Grand Ave
Des Moines, IA 50319-0209