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**FOR IMMEDIATE RELEASE**  
**Vermont Department of Labor**  
**Commissioner, Lindsay Kurrle**  
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**Vermont Employers to see Unemployment Insurance Tax Relief, Employees to see Shorter Waiting Period**

MONTPELIER, VT – The Vermont Department of Labor announced two changes to the Unemployment Insurance (UI) program starting July 1, which will reduce tax rates for employers and allow claimants to receive benefits sooner.

Nearly 22,600 employers remit state unemployment taxes to the Department that are deposited into a trust fund used for the payment of unemployment insurance benefits to eligible claimants. The unemployment trust fund is “forward funded,” meaning tax schedules are designed to raise more funds during periods of economic growth to ensure that there is adequate funding during recessions. The Department is now under tax rate schedule 4, which triggered the reduction in unemployment insurance tax rates for employers.

Reduced taxable rates for individual employers will vary according to their experience rating. The rate reduction will reduce the highest UI tax rate from 8.4 percent to 7.7 percent, and the lowest rate from 1.3 percent to 1.1 percent. Additionally, July 1 marked the sunset of a provision that required claimants to wait one week between the time they were determined eligible for benefits to when they could collect those benefits.

“Our unemployment trust fund has been slowly, but steadily, recovering from the impacts of the recession. The rate reduction, and the sunset of the one-week waiting period, are both encouraging steps towards making Vermont more affordable for both businesses and Vermont’s labor force,” said Lindsay Kurrle, Commissioner of Labor.

The reduced rates will be applied to quarterly filings due on October 31, 2017.

For more information regarding tax schedules and rates, please visit the Vermont Department of Labor website: <http://labor.vermont.gov/unemployment-insurance/employers/ui-tax-rates/>

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