

Detailed version of 20% Quarterly Total Amount Calculated

The following tables show the individual components and calculations used to calculate the quarterly total amount due.

Data Element	Definition	Calculation
Total Gross Wages *	Summation of all wages reported on a wage detail report.	Sum of all wages reported by employer
Non-Taxable Wages	<p>Wages which exceed the wage base limit</p> <ul style="list-style-type: none"> • Per employee record • Per employer account • Exempt from tax calculations • Wage Base calculation includes predecessor wages when experience transfer occurs. 	<p>Sum cumulative gross wages per worker for quarter/year reported thus far.</p> <p>Then...</p> <p>Subtract the determined wage base amount</p> <p>Example:</p> <p>Gross Wages - Wage Base (\$21,000/employee) = Non-Taxable Wages for 20%</p>
Taxable Wages *	<p>Amount of wages up to the wage base limit (\$21,000/employee)</p> <ul style="list-style-type: none"> • Amount used for tax calculations • Wage Base calculation includes predecessor wages when experience transfer occurs. 	<p>Example:</p> <p>Gross Wages - Non-Taxable Wages = Taxable Wages</p>
UI Tax Rate	<p>Assigned Tax Rate (per employer account)</p> <ul style="list-style-type: none"> • Includes the base tax rate • Base rate may include the Falling Trust Fund Adjustment • Includes the experience rate or the tax rate for new employers • Reimbursable Employers do not have a rate assigned 	<p>Experience Rated Employers:</p> <p>Base Tax Rate + Experience Rate = UI Tax Rate</p> <p>Employers Not Yet Experience Rated:</p> <p>Base Tax Rate + New Employer Rate = UI Tax Rate</p>

Data Element	Definition	Calculation
UI Tax Before UI Assessments	Calculated amount of tax before the calculation of additional assessments.	Example: UI Tax Rate X Taxable Wages = UI Tax Before UI Assessment
Additional Assessment	Calculation of the amount due for the "Additional Assessment" <ul style="list-style-type: none"> • Assessment on all quarterly unemployment taxes due. • Percentage assigned is based on the trust fund level on March 31 of the prior year per §268.051, Subd. 2(d) • For 20F€ the assigned percentage is 14.00% 	Example: UI Tax Before UI Assessment X the assigned percentage (UI Tax Before UI Assessment X 14.00%)
UI Tax Due*	The sum total of UI Tax Before UI Assessment and the Additional Assessment <ul style="list-style-type: none"> • Used in calculation of Federal Loan Interest Assessment • FUTA reportable 	Example: UI Tax Before UI Assessment + Additional Assessment = UI Tax Due
Federal Loan Interest Assessment*	Amount assessed for payment of interest on Federal Loans <ul style="list-style-type: none"> • Also known as a "Special Assessment" • Assigned in §268.051, Subd. 8 • For 20F€ the assigned percentage is 0.00% • Not included for FUTA credit 	Example: UI Tax Due X assigned percentage = Federal Loan Interest Assessment

Data Element	Definition	Calculation
Workforce Development (Enhancement) Fee*	<p>Amount calculated for Workforce Development Initiatives per §116L.20.</p> <ul style="list-style-type: none"> • Taxable Wages X assigned percentage = Workforce Enhancement Fee • 0.12% 	<p>Example:</p> <p>Taxable Wages X assigned percentage (.12% X Taxable Wages) = Workforce Enhancement Fee</p>
Interest*	<p>Amounts owed due to late payment of amounts due</p> <ul style="list-style-type: none"> • Not assessed on Wage Detail Late Fees 	<p>Compounded monthly at a rate of 1.5%</p>
Wage Detail Late Fee *	<p>A fee resulting from non submission of a wage detail report as assigned in §268.044, Subd. 2</p>	<p>\$10.00 per employee, with potential of \$20.00 per employee for non-compliance</p> <ul style="list-style-type: none"> • Minimum fee of \$250.00 assessed (doubles after 30 days for non-compliance).
Quarterly UI Amount Due*	<p>The total amount due for each employer for the quarter</p>	<p>Sum of:</p> <ul style="list-style-type: none"> • UI Tax Due • Additional Assessment • Federal Loan Interest • Workforce Development (Enhancement) Fee • Interest on late payment • Wage Detail Late Fee

* Displayed on screen

Calculation Formulas Example (rounding rules below apply to these calculations):

- A = Base Tax Rate
- B = Experience Rate or New Employer
- C = Taxable Wages
- D= Sub-Total (UI Tax Before Additional Assessment)
- E = Additional Assessment %
- F = Additional Assessment \$ Amount
- G = UI Tax Due
- H = Federal Loan Interest Assessment %
- I = Federal Loan Interest Assessment Amount
- J = Workforce Development Fee %
- K = Workforce Development Fee \$ Amount
- L = Quarterly UI Amount Due

UI Base Tax Rate	+	Experience Rate	x	Taxable Wages	=	Sub-Total	+	Additional Assessment	=	UI Tax Due
A	+	B	x	C	=	D	+	D x E	=	G

14% reflects the percentage currently assigned for the additional assessment.
 Note: This percentage is subject to change yearly based on the balance in the UI trust fund.

For programming purposes the above formula needed to be broken down into the following:

UI Tax Rate	x	Taxable Wages	=	UI Tax Before UI Assessments
(A + B)	x	C	=	D

UI Tax Before UI Assessments	x	Additional Assessment %	=	Additional Assessment \$ Amount
D	x	E	=	F

UI Tax Before UI Assessments	+	Additional Assessment \$ Amount	=	UI Tax Due
D	+	F	=	G

UI Tax Due	x	Federal Loan Interest Assessment %	=	Federal Loan Interest Assessment \$ Amount
G	x	H	=	I

Taxable Wages	x	Workforce Development Fee %	=	Workforce Development Fee \$ Amount
C	x	J	=	K

UI Tax Due	+	Workforce Development (Enhancement) Fee + Federal Loan Interest + Interest + Late Fees	=	Quarterly UI Amount Due
G	+	I + K	=	L

Minnesota's Rounding Rules are as follow:

- The System will round down the amount to the next lower whole dollar if the total is not a whole dollar amount.
- Occurs after each calculation complete at the entity level (not employee record)
- Calculations include; Total gross wages, Non-taxable wages, Taxable wages, UI Tax Due, Additional Assessment, Federal Loan Interest Assessment, Workforce Development (Enhancement) Fee, Interest, Wage Detail Late Fee, Quarterly UI Amount Due