

Estimated Federal Tax Rate Increases

Potential 2014 Federal Unemployment Tax Act (FUTA) Credit Reductions

These states had Title XII advance balances on January 1, 2014 and are potentially subject to a reduction in FUTA credit on their IRS Form 940 for 2014 if the loan is not repaid by November 10, 2014:

State	2014 Potential Credit Reduction	2014 Estimated 2.7 add-on ⁽³⁾	2014 Estimated BCR add-on ⁽³⁾	2014 Estimated Total Credit Reduction
Arkansas	1.2% ⁽²⁾	0.0%	0.5%	1.7%
California	1.2% ⁽²⁾	0.0%	1.5%	2.7%
Connecticut	1.2% ⁽²⁾	0.0%	0.5%	1.7%
Delaware	0.9% ⁽¹⁾	0.0%	0.0%	0.9%
Georgia	1.2% ⁽²⁾	0.0%	0.6%	1.8%
Indiana	1.5% ⁽²⁾	0.0%	1.2%	2.7%
Kentucky	1.2% ⁽²⁾	0.0%	1.0%	2.2%
Missouri	1.2% ⁽²⁾	0.0%	0.4%	1.6%
New Jersey	1.2% ⁽²⁾	0.0%	0.0%	1.2%
New York	1.2% ⁽²⁾	0.0%	0.7%	1.9%
North Carolina	1.2% ⁽²⁾	0.0%	0.5%	1.7%
Ohio	1.2% ⁽²⁾	0.0%	1.4%	2.6%
Rhode Island	1.2% ⁽²⁾	0.0%	1.0%	2.2%
South Carolina	1.5% ⁽²⁾	0.0%	0.5%	2.0%
Virgin Islands	1.2% ⁽²⁾	0.0%	1.6%	2.8%
Wisconsin	1.2% ⁽²⁾	0.0%	0.1%	1.3%

(1) This state is also potentially subject to the 2.7 additional credit reduction formula.

This add-on is applicable in states following their third or fourth consecutive January 1 with an outstanding Federal advance. A description is found in FUTA section 3302 (c)(2)(B)

(2) This state is also potentially subject to the Benefit Cost Rate (BCR) additional credit reduction formula. This add-on is applicable in states following their fifth consecutive January 1 with an outstanding Federal advance. A description is found in FUTA section 3302 (c)(2)(C)

(3) The third and fourth quarters of 2013 wages are based on extrapolated values