Agency Name: Department of Employment and Workforce

Statutory Authority: 41‑29‑110 and 41‑29‑230

Document Number: 5146

Proposed in State Register Volume and Issue: 46/10

House Committee: Regulations and Administrative Procedures Committee

Senate Committee: Labor, Commerce and Industry Committee

120 Day Review Expiration Date for Automatic Approval: 05/10/2023

Final in State Register Volume and Issue: 47/5

Status: Final

Subject: Benefit Ratio for Zero Taxable Wages

History: 5146

By Date Action Description Jt. Res. No. Expiration Date

‑ 10/28/2022 Proposed Reg Published in SR

‑ 01/10/2023 Received President of the Senate & Speaker 05/10/2023

S 01/10/2023 Referred to Committee

H 01/11/2023 Referred to Committee

S 01/31/2023 Resolution Introduced to Approve 466

‑ 05/10/2023 Approved by: Expiration Date

‑ 05/26/2023 Effective Date unless otherwise

provided for in the Regulation

Document No. 5146

**DEPARTMENT OF EMPLOYMENT AND WORKFORCE**

CHAPTER 47

Statutory Authority: 1976 Code Sections 41‑29‑110 and 41‑29‑230

47‑6. Benefit Ratio for Zero Taxable Wages.

**Synopsis:**

R.47‑6 instructs the Department on setting an employer’s tax class when that employer has zero taxable wages. The Department proposes deleting obsolete sections that provide for assignment of employers to a tax class in the year 2011 only. The proposed amendment also removes references to the “2012 and subsequent” tax years for clarity, readability, and overall improvement of the text of the regulation.

The Notice of Drafting was published in the *State Register* on August 26, 2022.

**Instructions:**

Replace R.47‑6, *Benefit Ratio for Zero Taxable Wages,* in its entirety with this amendment.

**Text:**

47‑6. Benefit Ratio for Zero Taxable Wages.

A. If on the rate computation date there are zero taxable wages and zero benefit charges during the rate computation period when computing the tax year’s benefit ratio, the employer will be assigned the prior year’s tax class. If the employer does not have a prior year tax class, the employer will be assigned tax class twelve.

B. If on the rate computation date the employer has benefit charges and zero taxable wages during the rate computation period when computing the tax year’s benefit ratio, the employer will be assigned to the prior year’s tax class. If the employer does not have a prior year tax class, the employer will be assigned tax class thirteen.

**Fiscal Impact Statement:**

There will be no cost incurred by the State or any of its political subdivisions for these regulations.

**Statement of Rationale:**

The proposed regulation would remove obsolete provisions that are only applicable to a tax class in the year 2011. These provisions are no longer needed, and removal of these outdated provisions serves to streamline the regulation for the regulated community.