

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 1999

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HOUSE BILL 275  
Committee Substitute Favorable 4/1/99

Short Title: Zero ESC Tax Rate for More/AB.

(Public)

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Sponsors:

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Referred to:

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March 4, 1999

1 A BILL TO BE ENTITLED  
2 AN ACT TO IMPLEMENT A ZERO UNEMPLOYMENT INSURANCE TAX RATE  
3 FOR MORE EMPLOYERS WITH POSITIVE EXPERIENCE RATINGS.

4 The General Assembly of North Carolina enacts:

5 Section 1. G.S. 96-9(b)(3)d3. reads as rewritten:

6 "d3. The standard contribution rate set by subdivision (b)(1) of this  
7 section applies to an employer unless the employer's account has  
8 a credit balance. Beginning January 1, ~~1995~~, 1999, the  
9 contribution rate of an employer whose account has a credit  
10 balance is determined in accordance with the rate set in the  
11 following Experience Rating Formula table for the applicable  
12 rate schedule. The contribution rate of an employer whose  
13 contribution rate is determined by this Experience Rating  
14 Formula table shall be reduced by fifty percent (50%) for any  
15 year in which the balance in the Unemployment Insurance Fund  
16 equals or exceeds eight hundred million dollars (\$800,000,000)  
17 on the computation date and the fund ratio determined on that  
18 date is less than five percent (5%) and shall be reduced by sixty  
19 percent (60%) for any year in which the balance in the

Unemployment Insurance Fund equals or exceeds eight hundred million dollars (\$800,000,000) on the computation date, and the fund ratio determined on that date is five percent (5%) or more.

**EXPERIENCE RATING FORMULA**

When The Credit Ratio Is:

As But  
Much Less

As	Than	Rate Schedules (%)									
		A	B	C	D	E	F	G	H	I	
0.0%	0.2%	0.2%	2.70%	2.70%	2.70%	2.70%	2.50%	2.30%	2.10%		
	1.90%	1.70%									
0.2%	0.4%	2.70%	2.70%	2.70%	2.50%	2.30%	2.10%	1.90%	1.70%	1.50%	
0.4%	0.6%	2.70%	2.70%	2.50%	2.30%	2.10%	1.90%	1.70%	1.50%	1.30%	
0.6%	0.8%	2.70%	2.50%	2.30%	2.10%	1.90%	1.70%	1.50%	1.30%	1.10%	0.90%
0.8%	1.0%	2.50%	2.30%	2.10%	1.90%	1.70%	1.50%	1.30%	1.10%	0.90%	0.80%
1.0%	1.2%	2.30%	2.10%	1.90%	1.70%	1.50%	1.30%	1.10%	0.90%	0.80%	0.70%
1.2%	1.4%	2.10%	1.90%	1.70%	1.50%	1.30%	1.10%	0.90%	0.80%	0.70%	0.60%
1.4%	1.6%	1.90%	1.70%	1.50%	1.30%	1.10%	0.90%	0.80%	0.70%	0.60%	0.50%
1.6%	1.8%	1.70%	1.50%	1.30%	1.10%	0.90%	0.80%	0.70%	0.60%	0.50%	0.40%
1.8%	2.0%	1.50%	1.30%	1.10%	0.90%	0.80%	0.70%	0.60%	0.50%	0.40%	0.30%
2.0%	2.2%	1.30%	1.10%	0.90%	0.80%	0.70%	0.60%	0.50%	0.40%	0.30%	0.20%
2.2%	2.4%	1.10%	0.90%	0.80%	0.70%	0.60%	0.50%	0.40%	0.30%	0.20%	0.15%
2.4%	2.6%	0.90%	0.80%	0.70%	0.60%	0.50%	0.40%	0.30%	0.20%	0.15%	0.10%
2.6%	2.8%	0.80%	0.70%	0.60%	0.50%	0.40%	0.30%	0.20%	0.15%	0.10%	0.09%
2.8%	3.0%	0.70%	0.60%	0.50%	0.40%	0.30%	0.20%	0.15%	0.10%	0.09%	0.08%
3.0%	3.2%	0.60%	0.50%	0.40%	0.30%	0.20%	0.15%	0.10%	0.09%	0.08%	0.07%
3.2%	3.4%	0.50%	0.40%	0.30%	0.20%	0.15%	0.10%	0.09%	0.08%	0.07%	0.06%
3.4%	3.6%	0.40%	0.30%	0.20%	0.15%	0.10%	0.09%	0.08%	0.07%	0.06%	0.05%
3.6%	3.8%	0.30%	0.20%	0.15%	0.10%	0.09%	0.08%	0.07%	0.06%	0.05%	0.04%
3.8%	4.0%	0.20%	0.15%	0.10%	0.09%	0.08%	0.07%	0.06%	0.05%	0.04%	0.03%
4.0%	4.2%	0.15%	0.10%	0.09%	0.08%	0.07%	0.06%	0.05%	0.04%	0.03%	0.02%
4.2%	4.4%	0.10%	0.09%	0.08%	0.07%	0.06%	0.05%	0.04%	0.03%	0.02%	0.01%
4.4%	4.6%	0.09%	0.08%	0.07%	0.06%	0.05%	0.04%	0.03%	0.02%	0.01%	0.01%
4.6%	4.8%	0.08%	0.07%	0.06%	0.05%	0.04%	0.03%	0.02%	0.01%	0.01%	0.01%
4.8%	5.0%	0.07%	0.06%	0.05%	0.04%	0.03%	0.02%	0.01%	0.01%	0.01%	0.01%
5.0%											
4.0%											
&											
OVER		0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
"											

1                   Section 2. This act is effective with respect to calendar quarters beginning on  
2 or after April 1, 1999.