



# **IDES lowers unemployment taxes for seventh straight year**

November 5 2018 1:58 PM

CHICAGO – The Illinois Department of Employment Security (IDES) today announced the regular unemployment rates for 2019 will be lower for more than 92 percent of the state’s employers who are required to register and pay state Unemployment Insurance (UI) taxes.

Illinois business owners are on target to pay \$1.9 billion in UI taxes in 2018 and will pay \$1.66 billion in 2019, an estimated \$240 million decrease. In 2012, Illinois businesses paid \$3.36 billion in UI taxes, which means the state has lowered the tax by 50.6 percent over the last seven years.

Rates are determined by the ratio of unemployment charges to taxable wages paid in the state. The Illinois unemployment rate for September was down to 4.1 percent. The last time the Illinois jobless rate last stood at 4.1 percent was in February 1999.

“The cost of doing business in Illinois has continued to decline for the vast majority of employers when it comes to Unemployment Insurance,” said IDES Director Jeff Mays. “Even as our tax rates have been consistently dropping, our UI Trust Fund balance will close out the year at a near-record high of \$1.9 billion even as we have paid off \$930 million in bonds.”

The UI Trust Fund is the mechanism that pays for unemployment benefits for those workers laid off through no fault of their own. The taxes flow into the UI Trust Fund and are distributed to displaced workers through IDES as their claims are processed.

Of the 322,446 businesses registered to pay UI taxes, 297,695 will see their rates drop. There were 241,955 businesses who did not have any unemployment claims filed against them in 2018.

About IDES: IDES encourages employment by connecting employers to jobseekers, provides unemployment insurance benefits to eligible individuals, produces labor market data and protects taxpayers from unemployment insurance fraud. Visit the Department's website at [www.ides.illinois.gov](http://www.ides.illinois.gov) for more information. You can also follow IDES on [Twitter](#) and [Facebook](#).