

# Unemployment Insurance

According to the Georgia Department of Labor:

"Unemployment insurance is temporary income for workers who are unemployed through no fault of their own and are either looking for another job, have a definite recall within 6 weeks of the last day worked, or are in approved training."

THE UNEMPLOYMENT COMPENSATION PROGRAM "IS A FEDERAL-STATE PARTNERSHIP BASED UPON FEDERAL LAW, BUT ADMINISTERED BY STATE EMPLOYEES UNDER STATE LAW."

U.S. Department of Labor

## HOW IS UNEMPLOYMENT INSURANCE FUNDED?

In Georgia, Unemployment Insurance (UI) is funded by taxes paid by employers.



### STATE TAXES

THE TAX RATE VARIES BY EMPLOYER. A TAX RATE NOTICE IS SENT TO ALL ACTIVE EMPLOYERS EACH YEAR. THE BEGINNING TAX RATE FOR NEW EMPLOYERS IS 2.7% ON WAGES UP TO \$9,500.

### FEDERAL TAXES

UNDER THE FEDERAL UNEMPLOYMENT TAX ACT (FUTA), THE TAX RATE FOR EMPLOYERS IS SET AT 6% ON WAGES UP TO \$7,000. HOWEVER, THERE IS A CREDIT AVAILABLE OF UP TO 5.4%, BRINGING THE RATE FOR QUALIFIED EMPLOYERS DOWN TO 0.6%.

THE COLLECTED TAXES CONTRIBUTE TO THE STATE AND FEDERAL MANAGEMENT OF THE UI PROGRAM. THE REMAINDER OF THE FUNDS ARE DEPOSITED AND DISTRIBUTED FROM GEORGIA'S ACCOUNT WITHIN THE UNEMPLOYMENT TRUST FUND IN THE U.S. TREASURY.

## IN ORDER TO QUALIFY FOR UI BENEFITS, AN INDIVIDUAL MUST MEET THESE REQUIREMENTS:

SUFFICIENT INSURED WAGES



A NO FAULT SEPARATION FROM PREVIOUS EMPLOYER



PROOF OF LAWFUL PRESENCE IN THE U.S.



ACTIVELY SEARCHING FOR WORK



Can an employee qualify to receive UI benefits if they quit their job?



IF THE EMPLOYEE QUILTS FOR REASONS SUCH AS A MATERIAL CHANGE IN WORKING CONDITIONS OR NONPAYMENT, THEY MAY BE ELIGIBLE TO RECEIVE BENEFITS. IF THE EMPLOYEE QUILTS FOR A PERSONAL REASON, THEY WILL NOT BE ELIGIBLE FOR BENEFITS.

Can an employee qualify to receive UI benefits if they are fired from their job?



IF THE EMPLOYEE IS FIRED BECAUSE OF MISCONDUCT OR FAILURE TO FOLLOW RULES, THEY ARE INELIGIBLE TO RECEIVE UNEMPLOYMENT BENEFITS.

\$55 - \$365

THE MINIMUM AND MAXIMUM WEEKLY BENEFIT AMOUNT

6 WEEKS / 14-26 WEEKS  
MINIMUM NUMBER OF WEEKS FOR A CLAIM / MAXIMUM NUMBER OF WEEKS FOR A CLAIM

The weekly benefit amount is calculated by taking the wage total of the employee's two highest quarters within the base period and dividing that number by

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THE BASE PERIOD

The first four of the last five completed quarters, at the time of filing.

BENEFIT AMOUNTS, ELIGIBILITY, AND DURATION OF BENEFITS ARE SUBJECT TO CHANGE DURING A RECESSION OR NATIONAL PANDEMIC; AS SEEN THROUGH THE CARES ACT IN RESPONSE TO COVID-19.

