

Stricken language would be deleted from and underlined language would be added to present law.

State of Arkansas  
89th General Assembly  
Regular Session, 2013

As Engrossed: S3/25/13 S3/26/13 S4/1/13

# A Bill

SENATE BILL 850

By: Senator J. Hendren

## For An Act To Be Entitled

AN ACT TO REQUIRE THAT THE UNEMPLOYMENT STABILIZATION TAX SHALL BE CREDITED TO THE SEPARATE ACCOUNT OF EACH EMPLOYER; TO AMEND THE STABILIZATION TAX RATES FOR THE UNEMPLOYMENT COMPENSATION FUND; AND FOR OTHER PURPOSES.

### Subtitle

TO REQUIRE THAT THE UNEMPLOYMENT STABILIZATION TAX SHALL BE CREDITED TO THE SEPARATE ACCOUNT OF EACH EMPLOYER; AND TO AMEND THE STABILIZATION TAX RATES FOR THE UNEMPLOYMENT COMPENSATION FUND.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:

*SECTION 1. Arkansas Code § 11-10-705(a)(2), concerning the computation of future rate contributions, is amended to read as follows:*

*(2)(A) The record of an employer shall include, for the purpose of computing an employer's contribution rate, any payment, except a payment that represents a stabilization tax payment or a payment that represents an extended benefit tax payment, made by the employer on or before July 31 on wages paid by the employer on or before June 30 of the calendar year.*

*(B) However, for calendar years beginning January 1, 2014, and thereafter, the record of the employer shall include a payment that represents a stabilization tax payment made by the employer on or before July 31 on wages paid by the employer on or before June 30 of the calendar year.*



*SECTION 2. Arkansas Code § 11-10-706(a)(2), concerning the stabilization tax for the Unemployment Compensation Fund, is amended to read as follows:*

*(2)(A) This stabilization tax shall not be credited to the separate account of each employer.*

*(B) However, for calendar years beginning January 1, 2014, and thereafter, this stabilization tax shall be credited to the separate account of each employer for the purpose of the computation of future rates under § 11-10-705.*

*SECTION 3. Arkansas Code § 11-10-706(b)(5) and (6), concerning the stabilization tax rates for the Unemployment Compensation Fund, are amended to read as follows:*

*(5) If the assets of the Unemployment Compensation Fund on the computation date are less than one-half of one percent (0.5%) of total payrolls for employment during the preceding calendar year:*

*(A) The ~~the~~ stabilization tax shall be seven-tenths of one percent (0.7%) through December 31, 2013; and*

*(B) For calendar years beginning January 1, 2014, and thereafter the stabilization tax shall be five-tenths of one percent (0.5%);*  
*and*

*(6) If the assets of the Unemployment Compensation Fund on the computation date are less than four-tenths of one percent (0.4%) of total payrolls for employment during the preceding calendar year:*

*(A) The ~~the~~ stabilization tax shall be ~~one and one-tenth percent (1.1%) for the calendar year 1993, nine-tenths of one percent (0.9%) for the calendar year 1994, and eight-tenths of one percent (0.8%) for the calendar year 1995 and thereafter through December 31, 2013; and~~*

*(B) For calendar years beginning January 1, 2014 and thereafter the stabilization tax shall be six-tenths of one percent (0.6%).*

*/s/J. Hendren*