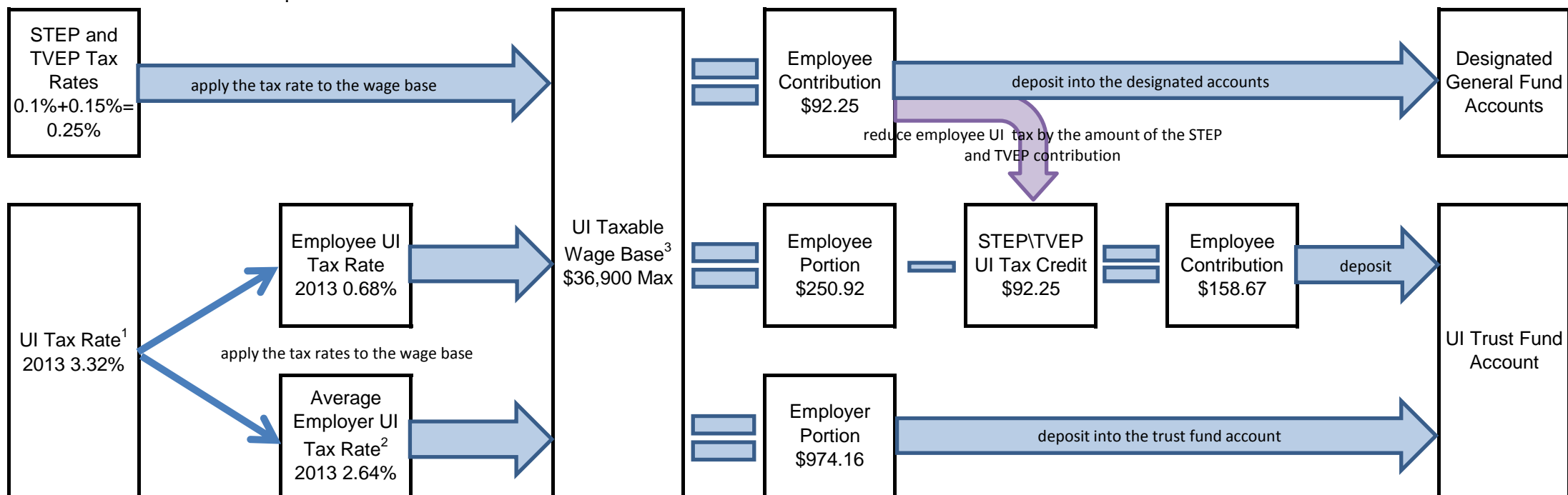


State of Alaska Tax Flow Chart:

**Unemployment Insurance (UI)
State Training and Employment Program (STEP)
Technical and Vocational Education Program (TVEP)**

The STEP and TVEP tax rates are set in statute (AS 23.15.630 and AS 23.15.835 respectively) and are applied to the annual UI taxable wage base. The amount of STEP and TVEP revenue is not affected by the UI tax rate. For further information please contact Jim Wilson (465-4520). The calculations provided below are per employee, assume the maximum wage for 2013, and are based on the 2013 UI tax rate.



1) The UI tax rate is calculated each year to ensure solvency of the trust fund account and cover benefit payments.

2) The exact employer tax rate varies by employer. The rate provided above is the average employer UI tax rate. For more information please reference the UI Tax Calculation Cookbook (http://labor.alaska.gov/research/uiprog/Tax_Cookbook.pdf).

3) The UI maximum taxable wage base per employee is calculated each year as 75% of the average annual wage in Alaska (AS 23.20.175).

Further reference materials:

[2011 UI Actuarial Study and Financial Handbook](#)

[UI Tax Calculation Cookbook](#)

Provided by: Representative Mark Neuman

HB 150 Technical and Vocational Education Program