

Tax Rate Glossary

Administrative Assessment - A percentage of the Total Tax Rate applied to taxable wages paid by most employers. Payments are deposited in a state account and appropriated back to the GDOL to be used for administrative purposes.

Annual Computation - Systemic calculation of tax rate for a calendar year.

Average Annual Payroll - The average of the annual taxable payrolls of an employer for the last three 12-month periods immediately preceding the tax rate computation date (June 30).

Benefit Charge Recalculation - Recalculation as a result of an adjustment of charges.

Charges - Amount assessed to an employer's experience rating account for benefit payments to former employees.

Combined Accounts (Computation Reason) - Recalculation as a result of acquisition of a covered employer by another covered employer.

Computation Date - June 30 of each calendar year with respect to tax rates applicable to the succeeding calendar year for each employer whose account could have been chargeable with benefits through the 36 consecutive calendar months ending on the computation date.

Contributions - The unemployment insurance tax paid by contributory employers.

Contributory Employer- Employers that pay unemployment insurance tax contributions based upon an assigned tax rate. All private sector businesses are contributory employers. However, governmental agencies and certain nonprofit entities may elect to be contributory or reimbursable employers.

Covered Employer - An employing unit subject to the provisions of the Employment Security Law which has achieved liability under the law either because of the number of its workers and duration of employment; the nature of its employment; the amount of wages paid for services in employment; the acquisition of a business; or through voluntary election of coverage.

Domestic - Services of a household nature in or about a private home, local college club, or local chapter of a college fraternity or sorority, performed by individuals such as cooks, maids, baby-sitters, handymen, gardeners, and chauffeurs of automobiles for family use.

Experience - Assessment of the employer's account history to include: average annual payroll, cumulative taxes paid/benefit charges, timely/untimely quarterly or annual reporting and payments.

Experience Rating Account - Account maintained by the GDOL for each employer to record wages reported, all contributions paid, and all benefit claims charged to determine the tax rate.

Partial Acquisition - Employing unit acquires a clearly identifiable portion of another entity where the agreement between the employers allows a portion of the predecessor's experience history to be removed from that account and given to the successor's account.

Predecessor - The prior owner of a business unit that was succeeded by another employing unit.

Reimbursable Employer - Certain non-profit organizations and governmental entities that pay for the cost of claims through a reimbursement method. The amount of payment due from reimbursable employers will equal the amount of benefits charged.

Succession (Computation Reason) - Recalculation as a result of an acquisition of a covered employer by a new entity.

Successor - Any entity or individual that acquires the business or substantially all the assets of any employer. The successor is responsible for benefit charges that would have been charged to the prior employer.

Trust Fund - The unemployment compensation trust fund account on deposit with the U.S. Treasury. All liable Georgia employers contribute to the fund through payment of the state's unemployment insurance tax. Unemployment insurance benefits to eligible claimants are funded from this account.

Voluntary Contribution - An eligible employer's option to make a contribution for the purpose of lowering the employer's tax rate for the year.