

Changes to the Michigan Taxable Wage Base

February 24, 2021

If you are a Michigan employer, there was an increase in the state unemployment insurance (SUI) taxable wage base from the original \$9,000 that has been effective for the past several years up to \$9,500.

This means that the Unemployment Insurance Agency (UIA) Trust Fund balance fell below the \$2.5 billion threshold for 2 consecutive quarters, which would normally allow for a reduced taxable wage base.

The Michigan Unemployment Security (MES) Act requires contributing employers to pay unemployment insurance taxes on their employee's wages. This predetermined taxable wage base is the amount of an employee's wages that is taxed by the Unemployment Insurance Agency each calendar year to be paid by the employer.

