Unemployment Compensation Tax 2011 Interest Due on Federal Advances

Pursuant to s. 443 (5) (a), F.S., the Revenue Estimating Conference met on November 30, 2010, to adopt an estimate of the amount of interest due in 2011 to the Federal Government as a result of advances to the Unemployment Compensation Trust Fund. The Conference estimates that the 2011 amount due will be \$61.4 million.

Unemployment Compensation--2011 Interest due on outstanding Federal Advances Comparison of August 2010 forecast to November 2010 forecast

		2010Q4	2011Q1	2011Q2	2011Q3	
Interest Due	Aug-10				86.3	
	Nov-10				61.4	
Interest rate on accrued balances	Aug-10	0.00%	5.00%	5.00%	5.00%	
	Nov-10	0.00%	3.94%	3.94%	3.94%	
Minimum Tax Rate	Aug-10	0.36%	0.36%	0.63%	0.63%	
	Nov-10	0.36%	0.36%	1.03%	1.03%	
Average Tax Rate	Aug-10	2.40%	2.40%	2.73%	2.73%	
	Nov-10	2.40%	2.40%	3.59%	3.59%	
% of employers at maximum rate, 2011	Aug-10				13.1%	
	Nov-10				19.2%	
% of taxable wages at maximum rate, 2011	Aug-10				19.5%	
	Nov-10				34.1%	
Taxable wages (lagged) (\$ millions)	Aug-10	4,737	4,587	28,223	7,925	45,473
	Nov-10	4,723	4,424	29,229	8,042	46,419
Non-farm employment (thousands)	Aug-10	7253.7	7282.0	7313.9	7355.0	
	Nov-10	7258.6	7283.4	7310.9	7339.4	
Taxable wage/non-farm employment	Aug-10	653.0	629.9	3858.9	1077.5	
	Nov-10	650.7	607.5	3998.0	1095.7	
Benefits (\$ millions)	Aug-10	536.3	516.3	503.6	541.6	2,098
	Nov-10	522.8	506.1	501.7	542.4	2,073
Number of unemployed (thousands)	Aug-10	1091.4	1082.2	1067.1	1046.6	
	Nov-10	1089.7	1087.8	1070.4	1048.9	
Benefits/number of unemployed	Aug-10	491.4	477.1	471.9	517.4	
	Nov-10	479.7	465.3	468.7	517.1	

Monthly cash flow for Trust Fund

Aug-10

Aug	-10											
	October	November	December	January	February	March	April	May	June	July	August	September
Beginning balance	20.0	20.0	20.0	20.0	20.0	20.0	20.0	20.0	20.0	20.0	20.0	20.0
Taxes	14.9	107.1	17.0	21.5	80.8	8.0	112.4	623.5	6.8	43.4	170.2	5.6
Interest	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Benefits	185.4	178.6	172.3	174.5	172.3	169.5	168.0	167.0	168.5	181.3	181.7	178.6
Ending Balance	-150.5	-51.5	-135.3	-133.0	-71.5	-141.5	-35.6	476.5	-141.7	-117.9	8.5	-153.0
Plus Federal Advances	170.5	71.5	155.3	153.0	91.5	161.5	55.6	-456.5	161.7	137.9	11.5	173.0
Adjusted Ending Balance	20.0	20.0	20.0	20.0	20.0	20.0	20.0	20.0	20.0	20.0	20.0	20.0
Cumulative Federal Advances	1790.9	1862.4	2017.7	2170.7	2262.2	2423.8	2479.4	2022.9	2184.6	2322.5	2334.0	2507.0
Interest accrued				9.0	9.4	10.1	10.3	8.4	9.1	9.7	9.7	10.4
Interest due September 30, 2011												86.3

Nov-10

1101	10											
	October	November	December	January	February	March	April	May	June	July	August	September
Beginning balance	25.8	27.4	20.0	20.0	20.0	20.0	20.0	20.0	20.0	20.0	20.0	20.0
Taxes	38.1	83.2	12.3	24.4	91.7	9.0	152.7	847.0	9.3	57.8	226.7	7.4
Interest	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Benefits	163.0	183.1	176.7	171.0	168.9	166.2	167.4	166.4	167.9	181.5	182.0	178.9
Ending Balance	-99.2	-72.6	-144.4	-126.7	-57.2	-137.1	5.3	700.5	-138.6	-103.8	64.7	-151.4
Plus Federal Advances	126.5	92.6	164.4	146.7	77.2	157.1	14.7	-680.5	158.6	123.8	-44.7	171.4
Adjusted Ending Balance	27.4	20.0	20.0	20.0	20.0	20.0	20.0	20.0	20.0	20.0	20.0	20.0
Cumulative Federal Advances	1739.0	1831.6	1995.9	2142.6	2219.8	2377.0	2391.7	1711.2	1869.8	1993.5	1948.8	2120.3
Interest accrued				6.8	7.2	7.5	7.8	6.7	5.9	6.3	6.5	6.7
Interest due September 30, 2011												61.4