States that have been borrowing from the Federal Unemployment Account since 2009 were required to pay off the outstanding balances on those loans in November 2011. Employers in states that did not make this payment or did not qualify for exemption faced an increase in their 2012 federal unemployment tax rates as a result. This year, 19 states were unable to pay off their 2009 balances by the November deadline. Employers in 18 of those states will see an effective 0.3 percentage point increase in their tax rate in 2012. Indiana failed to pay off its balance from 2008, making its loans two years past the repayment deadline, which means an effective tax hike of 0.6 percentage points.

For more details, see this BLOG post:

**States with Federal Tax Rate Penalties for 2012 Due to Outstanding Unemployment Loans**

Data Sources: U.S. Department of Labor, Employment and Training Administration [3], as of 12/29/11 and Federal Funds Information for States (FFIS), UI Update: Credit Reductions and New Legislative Proposals, Issue Brief 11-41, Nov. 23, 2011.