

## REIMBURSING EMPLOYER TRUST FUND INTEREST RATE

As a result of the enactment of House Bill 5 by the Kentucky General Assembly during the 2010 legislative session, employers who have elected to reimburse the state in lieu of paying contributions will become subject to interest on any benefits charged to their account on or after August 28, 2010. The chart below outlines the assessed Trust Fund Interest (TFI) rate for each year.

Year	Trust Fund Interest Rate (TFI)
2010^	0.35%
2011*	0.00%
2012*	0.00%
2013*	0.00%
2014*	0.00%
2015*	0.00%
2016	0.58%
2017	0.55%
2018	0.55%
2019	0.57%
2020	0.60%
2021	0.58%
2022	0.49%
2023	0.41%
2024	0.61%
2025	0.72%

**\*TFI not assessed due to Trust Fund insolvency**

**^ TFI assessed only for 3-2010 and 4-2010**

When you receive a **quarterly Statement of Benefit Charges, Request for Reimbursement (UI-R448)**, you will notice a separate line-item charge for Trust Fund Interest. This is included in the total balance due to the Office of Unemployment Insurance. Below is the statute explaining TFI is calculated:

**KRS 341.275 (3)(a)** Payments in lieu of contributions shall be made in accordance with the provisions of this subsection. (a) At the end of each calendar quarter or at the end of any other period as determined by the secretary, the cabinet shall bill each nonprofit organization (or group of such organizations) which has elected to make payments in lieu of contributions for an amount equal to the full amount of regular benefits plus one-half (1/2) of the amount of extended benefits paid during such quarter plus any prior period adjustments, which are attributable to service performed in covered employment in the employ of such **organization plus interest on the total amount billed at the average rate of earnings in the unemployment insurance fund for the prior calendar year**. All interest collected under this subsection shall be credited to the unemployment insurance fund.