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Oregon Employment Department announces  
2024 rates for Paid Leave Oregon and  
Unemployment Insurance

SALEM, Ore. — Today, the Oregon Employment Department announced the 2024 contribution rate for Paid Leave Oregon and 2024 tax rate for Unemployment Insurance. The department is mailing each employer their annual notice of the new rates.

2024 Unemployment Insurance Tax Rate

The department uses a statutory formula to establish the annual tax rate for employers. Employer taxes go into the Unemployment Insurance Trust Fund in Oregon, which is the source of unemployment insurance benefits for Oregon workers. Workers do not contribute to this fund or to their unemployment benefits.

As a self-balancing fund, Oregon’s Unemployment Insurance Trust Fund is one of the healthiest in the country. The trust fund balance also earns interest, which helps keep employers’ tax rates lower. The goal of the statutory formula is to reach a balance between revenue and expenditures, where the state takes in about the same amount of money in taxes as it pays out in benefits. Oregon’s trust fund has recovered so well from the pandemic that the state has been able keep tax revenue lower than benefit payments for several years, and that will continue in 2024.
The Unemployment Insurance tax rate for new employers will rise slightly for 2024, from a rate of 2.1% of taxable wages up to $50,900 per employee in the 2023 calendar year (tax rate schedule II), to a rate of 2.4% of taxable wages up to $52,800 for the 2024 calendar year (tax rate schedule III).

Following the self-balancing formula laid out in statute, the tax schedule for 2024 moved from schedule II to schedule III. The primary driver behind this change was wage growth in 2022. Higher wages in 2022 caused higher average weekly benefit payouts in 2023. Higher benefit amounts pushed Oregon into the next schedule for 2024.

**2024 Paid Leave Oregon Contribution Rate**

Both employers and employees pay contributions to the Paid Leave Oregon Trust Fund, which provides benefits for Oregon workers.

The Paid Leave Oregon contribution rate for 2024 is 1% of employee wages and applies to up to $168,600 of wages. This is the Social Security taxable maximum wage amount for 2024. Contributions for Paid Leave Oregon are divided between employees and employers, with 60 percent of the rate paid by employees and 40 percent by employers.

“We want to thank Oregon businesses for all they do to promote economic stability in Oregon, even during challenging times,” Gerstenfeld said. “We know employers have faced significant challenges in the past several years, yet Oregon’s employers continue to focus on job growth, contributing to our economy and building a robust workforce.”

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