

50 percent of the state's average annual wage for the second preceding calendar year as determined by the Oklahoma Employment Security Commission, rounded to the nearest multiple of \$100.

- Beginning January 1, 2000, "taxable wages" means the wages paid to an individual with respect to employment during a calendar year for services covered by the Employment Security Act of 1980 or other state unemployment compensation which shall equal the applicable percentage of the state's average annual wage for the second preceding calendar year as determined by the Oklahoma Employment Security Commission, rounded to the nearest multiple of \$100. The application percentage is determined by the conditional factor in place during the calendar year for which the taxable wage is being calculated. The conditional factor is determined pursuant to the provisions of Section 3-113 of the Oklahoma Employment Security Act. The applicable percentages are as follows.
 - 40 percent during any calendar year in which the balance in the Unemployment Insurance trust fund is in excess of the amount required to initiate conditional contribution rates, pursuant to the provisions of Section 3-113 of the Oklahoma Employment Security Act
 - 42.5 percent during calendar years in which condition "a" exists
 - 45 percent during calendar years in which condition "b" exists
 - 47.5 percent during calendar years in which condition "c" exists
 - 50 percent during calendar years in which condition "d" exists

Computing an employer's yearly taxable limitation using taxable wages

Once an employer has determined their total wages as defined by Section 1-218 of the Oklahoma Employment Security Act, the employer can determine how much of its total wages are taxable up to the Taxable Limitation for each employee. This amount is computed per employee per year.

The following scenarios are for example purposes only. The 2009 taxable limitation was \$14,200.

Scenario 1	Total wages	Taxable wages
First quarter 2009	\$15,000.00	\$14,200.00
Second quarter 2009	\$13,000.00	\$0.00
Third quarter 2009	\$5,000.00	\$0.00
Fourth quarter 2009	\$15,000.00	\$0.00
2009 total	\$48,000.00	\$14,200.00