

### 4.1.5: READ- Unemployment Insurance

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#### What is Unemployment Insurance (UI)?

Unemployment Insurance is a joint state-federal program that provides cash benefits to eligible workers. Each state administers a separate UI program, but all states follow the same guidelines established by federal law.

Unemployment insurance payments (benefits) are intended to provide temporary financial assistance to unemployed workers who are unemployed through no fault of their own. Each state sets its own additional requirements for eligibility, benefit amounts, and length of time benefits can be paid.

Generally, benefits are based on a percentage of your earnings over a recent 52-week period, and each state sets a maximum amount. Benefits are subject to federal and most state income taxes and must be reported on your income tax return. You may choose to have the tax withheld from your payment.

#### Fun fact:

Wisconsin was the first state to enact an unemployment program. It started in 1932 and was the likely starting point for our current federal program, which is included in the Social Security Act of 1935.

[Review the attached fact sheet to learn more about unemployment insurance.](#)

"[Unemployment Insurance](#)." FactSheet. U.S. Dept. of Labor

NOTE: A printable PDF is attached below.

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