

Problem 35

A company was subject to the Alaska state unemployment tax of 4.2%. Alaska is one of the few states in which employees also pay unemployment tax (0.5%). The company's taxable earnings for FUTA were \$86,700 and for SUTA, \$171,000.

Compute:

(a) SUTA tax that the company would pay to the state of Alaska.....\_\_\_\_\_

(b) Net FUTA tax for the year.....\_\_\_\_\_

(c) Amount of employees' unemployment tax.....\_\_\_\_\_