

Dept. of Workforce Development: 2025 financial summary of the unemployment insurance trust fund

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MADISON - The Department of Workforce Development (DWD) today announced its [2025 Financial Summary of Wisconsin's Unemployment Insurance \(UI\) Trust Fund](#) which showed decreased tax rates for employers and an increased overall balance.

The UI Trust Fund is the account that holds Wisconsin employers' state UI taxes which finance regular state UI benefit payments. The UI Trust Fund functions as a reserve in case of increased state UI benefit payments during economic downturns. The higher the UI Trust Fund balance, the less likely the state will need to borrow from the federal government during recessionary periods.

Highlights of the summary include:

- UI Trust Fund balance as of December 31, 2025 was over \$2.1 billion
- \$151 billion in wages insured for Wisconsin employees
- Schedule D (lowest tax rate schedule) in effect
- Employers' UI tax rate is assessed only on the first \$14,000 of each employee's wages and
 - More than 95% of employers had a UI tax rate below 4%
 - More than half of all employers had a UI tax rate below 2%
- Employers saved an estimated \$50.5 million in payable taxes in 2025
- Tax rates decreased or remained unchanged for 57.9% of employers in 2025

“Ensuring that the Unemployment Insurance Trust Fund remains strong, solvent, and effective for both employers and employees is essential for the continued

economic security of our state,” said Secretary Amy Pechacek. “With low unemployment rates and an increasing UI Trust Fund balance, we should continue exploring opportunities to bolster our UI system so it can provide reliable support to workers in the years to come.”

More information on the UI Trust Fund will be published in the [Financial Outlook Report](#) in May.