



ADMINISTRATIVE RULES OF MONTANA

24.40.1509 RATES FOR NEW EMPLOYERS

- (1) Rates for new employers are based on North American Industry Classification System (NAICS) codes which are assigned to nine major industrial classification rate divisions, plus a nonclassifiable establishment division for employer accounts whose industrial class cannot be determined.
- (2) A professional employer organization (PEO) licensed under Title 39, chapter 8, MCA, for the first calendar year of subjectivity is assigned the nonclassifiable rate for new employers. Thereafter, unless the PEO is experience-rated, the PEO is assigned a rate as a new employer in the industry in which the majority of employees are placed for the PEO's clients.
 - (a) The PEO must provide the department with the quarterly report and a list of employees showing which employees were assigned to which client. If the list is not provided, the PEO will be assigned the nonclassifiable rate for new employers for the following year.
- (3) The NAICS codes are assigned to rate divisions as follows:
 - (a) Division A: NAICS Code 11 - agriculture, forestry, fishing, and hunting;
 - (b) Division B: NAICS Code 21 - mining;
 - (c) Division C: NAICS Code 23 - construction;
 - (d) Division D: NAICS Code 31-33 - manufacturing;
 - (e) Division E:
 - (i) NAICS Code 22 - utilities;
 - (ii) NAICS Code 48 - transportation; and
 - (iii) NAICS Code 49 - warehousing;
 - (f) Division F: NAICS Code 42 - wholesale trade;
 - (g) Division G:
 - (i) NAICS Code 44-45 - retail trade; and
 - (ii) NAICS Code 72 - accommodation and food services;
 - (h) Division H:
 - (i) NAICS Code 52 - finance and insurance; and
 - (ii) NAICS Code 53 - real estate, rental, and leasing;
 - (i) Division I:

- (i) NAICS Code 51 - information services;
 - (ii) NAICS Code 54 - professional and technical services;
 - (iii) NAICS Code 55 - management of companies and enterprises;
 - (iv) NAICS Code 56 - administrative support, waste management, and remediation services;
 - (v) NAICS Code 61 - educational services;
 - (vi) NAICS Code 62, health care and social assistance;
 - (vii) NAICS Code 71 - arts, entertainment, and recreation; and
 - (viii) NAICS Code 81 - other services; and
 - (j) Division K: NAICS Code 99 - nonclassifiable establishments.
- (4) Employers that do not provide sufficient information to be properly classified are assigned to Division K, NAICS Code 99, nonclassifiable establishments, which carries the maximum rate for new employers. Employers have 30 days from the postmarked date of the rate notice or rate letter to submit sufficient information for a proper NAICS classification and rate assignment.
- (5) The average rate for each rate division is computed once a year to set rates for the calendar year. Rates for new employers are determined using the average contribution rates in effect for the prior and current calendar year, plus any adjustment for changes in the rate schedule.

Authorizing statute(s): 39-8-201, 39-51-302, MCA

Implementing statute(s): 39-8-207, 39-51-1101, MCA

History: NEW, 1995 MAR p. 1950, Eff. 10/1/95; TRANS, from Dept. of Labor and Industry and AMD, 2001 MAR p. 1650, Eff. 8/24/01; AMD, 2002 MAR p. 3060, Eff. 11/1/02; TRANS, from Dept of Revenue, 2004 MAR p. 2808, Eff. 11/19/04; AMD, 2016 MAR p. 2058, Eff. 11/11/16; TRANS and AMD, from 24.11.2204, 2024 MAR p. 1458, Eff. 7/1/24.