

(1) For taxable periods beginning on and after January 1, 1972, each employer who has not been subject to this article for a sufficient period of time to have his rate computed under the provisions hereof shall pay contributions at a rate not exceeding 2.8 percent, that is the higher of (a) 1.0 percent, (b) the State's five-year benefit cost rate, or (c) the contribution rate which, pursuant to paragraph (4), applies to employers with a benefit ratio of .0000. For purposes of this paragraph, the State's five-year benefit cost rate shall be computed annually and shall be derived by dividing the total dollar amount of regular benefits and one half of any extended benefits paid to claimants under this article during the five consecutive calendar years immediately preceding the computation date by the total dollar amount of wages subject to contributions under this article during the same period.

(2) The Executive Director shall maintain an experience-rating record for each employer. Nothing in this article shall be construed to grant to any employer or to individuals performing services for him prior claims or rights to the amounts paid by the employer into the fund.

Except as required by paragraph (i) of this subsection, benefits paid shall be charged against employer experience-rating records as hereafter specified.

If the claimant earned 75 percent or more of his base period wages from the principal base period employer, all regular benefits and the appropriate share of any extended benefits paid to such individual shall be charged against the experience-rating record of his principal base period employer (as defined in paragraph (9) of this subsection). If the claimant earned less than 75 percent of his base period wages from the principal base period employer, all regular benefits and the appropriate share of any extended benefits paid to such individuals shall be charged on a pro rata basis to all base period employers. The percentage of the charge to each base period employer shall be in the same proportion as the amount of wages paid to the claimant by each such employer is to the total amount of wages received by the claimant during the base period, and shall be rounded off to the nearest whole number. With respect to governmental entities, the appropriate share of any extended benefits shall be all extended benefits paid to such individuals. With respect to all other employers, the appropriate share of any extended benefits shall be one half of any extended benefits paid to such individuals.

(i) If the claimant's unemployment is caused by a shutdown by his employer for the purpose of having employees take their vacations at the same time, for inventory, for retooling, or for other purpose of the employer, that is primarily other than a lack of work and causing unemployment for a certain and definable period, all benefits paid to the claimant for that period shall be charged against the experience-rating