

(i) an employing unit pays to each employee for covered employment during a calendar year; or

(ii) an employing unit or predecessor employer, or combination of both, pays to each employee who was continuously employed immediately before and after a transfer of a business for covered employment in this State or another state during a calendar year.

(2) If the Federal Unemployment Tax Act or any other federal tax law that allows a credit for a contribution to a state unemployment insurance fund increases the maximum amount of wages taxable under that law in a calendar year to more than ~~[\$7,000]~~ \$8,500, the taxable wage base under paragraph (1) of this subsection shall be the same as under the federal law.

8-608.

Except as otherwise provided in this subtitle, an employing unit shall pay contributions at the standard rate of ~~[6.5%]~~ 7.0% of the taxable wage base.

8-609.

[(a) An employing unit that does not qualify for an earned rate under § 8-610 of this subtitle, shall pay contributions at a rate that does not exceed 2.8% of the taxable wage base, and that is the highest of:

(1) 1% of the taxable wage base;

(2) the 5-year benefit cost rate of the State as computed under subsection (b) of this section; or

(3) the contribution rate under § 8-611 of this subtitle that applies to an employing unit with a benefit ratio of .0000.

(b) Annually, the Secretary shall compute the 5-year benefit cost rate of the State by dividing the sum of regular benefits, work sharing benefits, and 50% of extended benefits that the State paid during the 5 consecutive calendar years immediately preceding the computation date by the total amount of wages that employing units in the State paid during the same period that were subject to contributions.

(c) (1) In this subsection, "foreign contractor" means a person:

(i) who, for a commission or fixed price bids on, accepts, or offers to accept orders or contracts for performing or superintending construction, removal, repair, or improvement of any building or structure that is permanently annexed to real property that is owned, controlled, or leased by another person; and

(ii) all or a majority part of whose primary operations traditionally have been and continue to be based or headquartered in another state and are not controlled or directed from this State.