

E-ALERT: Reminder: Massachusetts Paid Family and Medical Leave



Background

We would like to remind you that effective October 1, 2019, all Massachusetts employers, unless excluded by exception, will be required to participate in the statewide Paid Family (FLI) and Medical Leave (MLI) insurance program. Employers will have the responsibility of reporting wages and other information for their workforce each quarter to the Department of Family and Medical Leave.

Summary

HR Knowledge is committed to assisting you as you prepare for this new program. For more information, we strongly recommend you review the Massachusetts website (<https://www.mass.gov/paid-family-and-medical-leave-information-for-massachusetts-employers>) for details about the provisions of the Paid Family and Medical Leave program to help you prepare for your compliance. The Department of Family and Medical Leave will update the website as more details become available.

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Employer Next Steps

- Massachusetts will be assigning a new identification number (ID), specifically for this program. In October, you will automatically be registered and sent the ID either by e-mail or regular US mail. **This ID will not be required for the first reports or deposits that are due by January 31, 2020. No action is required at this time.**
- Employers may withhold these premiums from an individual's paycheck or pay some or all of the premium on their behalf.
- Employers must remit premiums on a quarterly basis.
 - The initial total premium percentage is 0.75% of gross wages paid up to the Social Security wage limit shared by the employer and covered individual.
 - The initial medical leave (MLI) contribution will be 0.62% of gross wages. Up to 40% of the contribution may be deducted from a covered individual's wages (0.248%).
 - The initial family leave (FLI) contribution will be 0.13% of gross wages. Up to 100% of the contribution may be deducted from a covered individual's wages.
 - Premium withholding is capped at the Social Security wage base of \$132,900 in 2019.
- HR Knowledge will begin withholding required premiums for all payroll processed with pay dates on or after October 1, 2019.
 - The premiums for the family leave portion and the medical leave portion will be calculated and withheld separately.
 - For an example of how the withholding for the premium is calculated, please refer to the Massachusetts Paid Family and Medical Leave website.

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