



PFML Toolkit

Paid Family and Medical Leave (PFML) is a Massachusetts-specific program that impacts most employers. This guide will help organizations get up to speed and in compliance with the law.



Paid Family &
Medical Leave
MASSACHUSETTS

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What is PFML?

Paid Family and Medical Leave (PFML) is a state program that offers up to 26 weeks of paid leave for medical or family reasons to eligible employees in Massachusetts. PFML is funded through employee and employer contributions, and is separate from both the federally mandated benefits offered by the Family Medical Leave Act (FMLA) and other family and medical leave benefits offered by employers.



PFML vs. FMLA
[Watch the video](#)

How is PFML different from FMLA?

The FMLA is a federal law that provides unpaid, job-protected leave to certain employees. FMLA is available for the employee to use for themselves or when caring for a parent, child, or spouse with a serious health condition and is only a requirement for employers with 50 or more employees.

PFML is a Massachusetts law that applies to most employers in the state of Massachusetts, regardless of size and provides paid, job-protected leave to eligible employees for similar reasons. Other differences include a broader definition of family and waiting periods for eligibility. [Read more about what PFML can be used for.](#) Both federal and state leaves may run at the same time. [Read more about the differences in the two laws.](#)



Summary:

*If you employ anyone, PFML impacts you, your business, and your employees.
Next you will learn how to get your business PFML ready.*

A man with grey hair, wearing a dark blue work jacket, stands in a workshop. Behind him are shelves filled with blue and yellow storage bins. The title 'PFML Program Details' is overlaid on the left side of the image.

PFML Program Details

Question:
***How do I
count my
workforce?***

As a Massachusetts employer, your required contributions under the Paid Family and Medical Leave (PFML) law are based on the size and makeup of your workforce. That's why it's so important that you accurately report this information.

For 2020, your contribution responsibilities depend on your average number of covered individuals from the 2018 calendar year (Jan. 1 - Dec. 31).

Determining your Massachusetts 2018 workforce count will help you answer two important questions:

1. Whether or not your 1099-MISC contractors are considered covered individuals.
2. Whether or not you're responsible for paying any share of the contributions.



Summary:

To get your business or organization PFML ready, you need to understand how to count your workforce. This will help you determine how much they – and you – need to contribute to the PFML program.

Your total workforce includes:

- **Massachusetts W-2 employees (full-time, part-time, or seasonal).**

Generally, PFML follows the same eligibility criteria as the unemployment insurance program in Massachusetts. If you are required to report a W-2 employee's wages to the Department of Unemployment Assistance (DUA), that employee should be counted. Employees don't need to live in Massachusetts to be covered. W-2 employees are always covered individuals.

- **Massachusetts 1099-MISC contractors.**

Generally, a MA 1099-MISC contractor is an individual for whom you are required to report payment for services on IRS Form 1099-MISC. 1099-MISC contractors are only covered individuals if they

make up more than 50% of your workforce and [meet certain criteria](#):

- They must perform services as an individual entity.
- They must live in Massachusetts.
- They must perform services in Massachusetts.

[Read more about who qualifies as a covered individual](#) in order to make an accurate workforce count.

FYI: If you own a business and pay yourself through a W-2, you are an employee of that business and will be considered part of your covered workforce under PFML.



Counting your workforce

[Watch the video](#)

Counting your MA workforce:

1. **Add up** the total number of MA W-2 employees you paid each pay period in 2018 and divide that number by the number of pay periods. This is your MA W-2 average.
2. **Add up** the total number of MA 1099-MISC contractors you paid for services each pay period in 2018 and divide that number by the number of pay periods. This is your MA 1099-MISC average.
3. If your MA 1099-MISC average is **greater than** your W-2 average, then your MA 1099-MISC contractors are considered covered individuals.
4. **Add up** your total number of covered individuals in 2018.

>25

If you had 25 or more covered individuals in your workforce in 2018, then you are responsible for making employer contributions for covered individuals in your workforce.

<25

If you had fewer than 25 covered individuals in 2018's workforce, you do not need to make an employer contribution. However, you will still need to send the state the employee portion of the contribution on their behalf.



Summary:

If you had 25 or more covered individuals, you are responsible for making employer contributions.
If you had fewer than 25 covered individuals, you do not need to make employer contributions.



Question:

***As the employer,
how much do I
have to pay?***

Now that you know who is a covered individual, you can [determine what employer contributions you are responsible for](#). Even if you are not required to pay an employer contribution, you will be required to send the employee's contribution to the state on their behalf. You can also elect to cover up to 100% of the employee contribution, regardless of your obligation.

Employers are responsible for sending family and medical leave contributions to the Department of Family and Medical Leave (DFML) through MassTaxConnect on behalf of their [covered individuals](#). Larger employers who had 25 or more covered individuals are responsible for paying a share of the required contributions. Employers who had fewer than 25 covered individuals are not required to pay the employer's share of contributions but must still send payment on behalf of their covered individuals.

The charts on the following pages offer a general breakdown of these contribution rates while our [contribution calculator](#) allows you to better estimate how this will look for you and your Massachusetts workforce.

The maximum amount of earnings subject to these contribution rates in 2020 is \$137,700 annually for each covered individual.

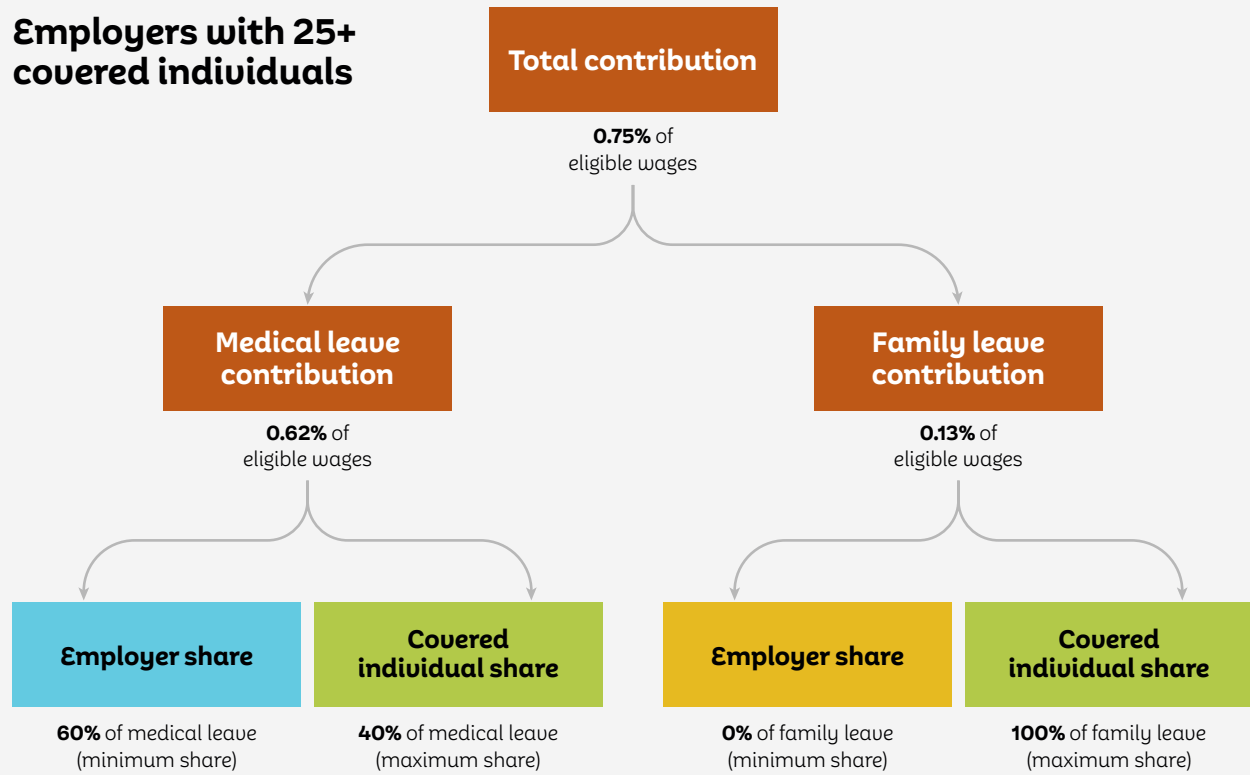
Employers can choose how much of their PFML contribution they withhold from their covered individuals as long as they don't exceed the maximum percentages listed on the following pages. For example:

- An employer with employees covered by multiple collective bargaining agreements can vary the amounts it withholds from employees within each of those bargaining units.
- An employer can take different amounts from their full-time and part-time staff.

Consult with your legal counsel on the advisability of implementing different percentages in your organization.

Employers who had 25 or more covered individuals will be required to send a contribution to DFML through MassTaxConnect of 0.75% of [eligible wages](#). This contribution can be split between covered individuals' payroll or wage withholdings and an employer contribution.

Employers with 25+ covered individuals



Family leave

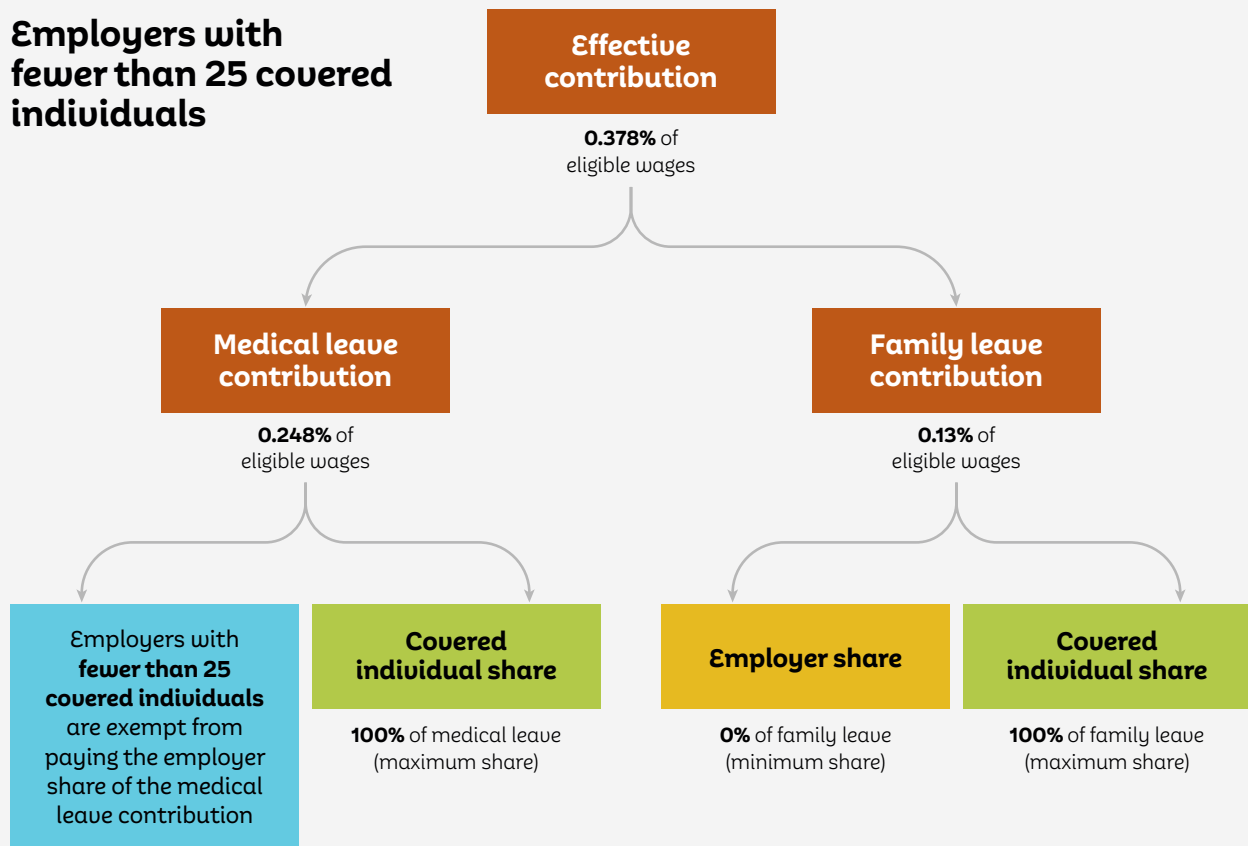
Employers can withhold up to 100% of their family leave contribution from a covered individual's wages (0.13% of eligible wages).



Medical leave

Employers can withhold up to 40% of their medical leave contribution from a covered individual's wages (0.248% of eligible wages). Employers are responsible for contributing the remaining 60% (0.372% of eligible wages).

Employers with fewer than 25 covered individuals



Small employers are responsible for submitting the funds withheld from covered individuals' wages but are under no obligation to contribute themselves. However, they may elect to cover some or all of the covered individuals' share.



Family leave

Employers can withhold up to 100% of their family leave contribution from a covered individual's wages (0.13% of eligible wages).



Medical leave

Employers can withhold up to 100% of their medical leave contribution from a covered individual's wages (0.248% of eligible wages).

Our [PFML calculator](#) can help you estimate what amount you need to contribute or remit.



Summary:

Once you have determined the required contribution for you and your employees, you need to let your employees know how it will impact them (and their paychecks).



Question:

What do I have to tell my workforce about PFML?

You are legally required to inform your workforce about PFML. Here's what you have to do.

1. **Hang up a PFML poster.** All Massachusetts employers must display [a workplace poster](#) that explains the benefits and rights available to your workforce under the PFML law. You must post this poster at your workplace in a location where it can be easily read. We suggest you place the poster with other mandatory workplace posters, like wage and hours laws, workplace discrimination, workers' compensation, and workplace safety. The poster must be available in English and each primary language of 5 or more individuals in your workforce [if these translations are available from DFML](#).
2. **Notify your W-2 and 1099-MISC contractor (if eligible) workforce.** You'll need to notify your MA workforce in writing about available PFML benefits. You must issue this notice to each new employee within 30 days of their first day of employment. The notice must be written in each employee's primary language. You must get a written statement from each employee either acknowledging or refusing to acknowledge the notice. Please retain these forms. **Do not send these forms to DFML.** You may download a template of this notice provided by DFML or create your own. If you

choose to create your own notice, it must contain:

- An explanation of the availability of family and medical leave benefits
- The covered individual's contribution amount and obligations
- The employer's contribution amount and obligations
- The employer's name and mailing address
- The employer identification number assigned by DFML (FEIN)
- Instructions on how to file a claim for family and medical leave benefits (once available)
- The mailing address, email address, and telephone number of DFML

If less than 50% of your workforce includes MA 1099-MISC contractors, you're not required to inform them of PFML benefits, though it's encouraged so those contractors are aware [they may opt-in to the program](#).

Note: Please use your Federal Employer Identification Number (FEIN) as your Employer ID Number on the "Employer Notice to Employee" and the "Employer Notice to Self-Employed Individual" forms.



Summary:

As an employer, you are required by law to inform all eligible employees about PFML benefits, requirements, and contributions. You will need to make sure that the information is delivered as specified by the law.



Question:
***What if I
haven't collected
contributions from
my employees yet?***

Oct. 1, 2019 marked the beginning of the first quarter of payroll and wage withholdings. These withholdings, and in some cases employer payments, will be sent to DFML, at the latest, 30 days after the end of each calendar quarter. The contribution period began with the first payment made on or after Oct. 1, 2019.

That means that your withholdings may be for services rendered in September but paid for in October.

If you haven't started withholding, it's important that you start right away. If you are just starting withholding, please work with your payroll administrator to ensure all applicable guidelines are followed.



Summary:

Now that you and your employees are contributing to the PFML program, you will need to send all collected funds to the state every quarter.



Question:
***How do I
pay my
contributions?***

Every three months, you'll need to log on to MassTaxConnect to complete a quarterly report and send contributions for your covered individuals for the previous three months.

Here's the information you will need:

- Information about each employee or 1099-MISC contractor included in the return
- The Social Security Number or ITIN for each employee
- The first and last name of each employee or 1099-MISC contractor
- The wages for employee or 1099-MISC contractor

Log in to [MassTaxConnect](#), then:

1. Click on the Paid Family and Medical Leave account.
2. Click on the File Return link next to the period that you would like to file.
3. Enter a Social Security Number or ITIN, first name, and last name for each employee and indicate if any are 1099-MISC contractors. Select Opt in if the employee is not a covered 1099-MISC contract worker and is choosing to opt into the program. Enter year to date wages for each employee, and then enter their wages for the current quarter. Enter the percentage of medical contribution deducted from the employee and enter the percentage of the family contribution deducted from the employee. Once you have finished, click Next.
4. Verify that all the information you entered is correct, then click Next.
5. Select the way you would like to pay. In this example, we will choose to make an electronic payment from your checking or savings account.
6. Select your bank account type, enter your bank's routing number, account number, and then confirm your account number. Select whether or not you would like to save this payment information for future use and then confirm your payment amount. Click Next.
7. Once you have verified that your return and payment information and amount are correct, click Submit.



Summary:

Every quarter, you need to log on to MassTaxConnect and submit your quarterly contributions.

PFML benefits will become available to your employees on January 1, 2021.

Paid family and medical leave may be taken to:

- Manage a serious health condition
- Bond with a newborn child
- Bond with a child after adoption or foster care placement
- Manage family affairs when a family member is on active duty in the armed forces
- Care for a family member who is a covered servicemember

Beginning July 1, 2021, paid family leave may be taken to:

- Care for a family member that has a medical condition

Family members, for the purposes of PFML benefits, include your spouse; domestic partner; child; parent or parent of a spouse or domestic partner; a person who stood in loco parentis when you were a minor; a grandchild; grandparent; or sibling.

A serious health condition is an illness, injury, impairment, or physical or mental condition that involves receiving care in a hospital, hospice, or residential medical facility, or continuing treatment by a health care provider.

Read more about available benefits [here](#).



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Phone

Department of Family and Medical Leave
PFML Contact Center
833-344-PFML (7365)

Online

mass.gov/pfml