



What to know about your 1099-G

Why is Paid Leave issuing 1099-G forms to customers?

We are only sending 1099s for family leave.

The IRS declined to give us guidance on the taxability of Paid Leave benefits in Washington but based on what we've learned from other states with similar programs, we think it is likely that family leave benefits could be taxable and medical leave benefits would not.

We decided to issue a 1099-G form to all customers who received family leave benefits in 2023.

How you as an individual report this income for tax purposes is up to you and your tax professional, and we cannot provide you with any tax advice or additional guidance.

We are not able to provide 1099s for medical leave.

If you took both family leave and medical leave, your 1099 will only include your family leave portion. We are not providing 1099s for medical leave.

Do I have to pay taxes on Paid Leave benefits?

Unfortunately, we don't know whether the IRS will consider your Paid Leave benefits "taxable income." We asked them to tell us so that we could provide customers with the right information, but they declined our request.

We understand that puts customers in a confusing situation and we're sorry. But without specific guidance from the IRS, we can't provide more information or detail to you. Our best and only recommendation is that you consult a tax professional for advice.

What does the information on the form mean?

The 1099-Gs issued by Paid Leave show our agency contact and tax identification information (Employment Security Department, listed on the form as the "Payer"), your name, SSN, address (listed on the form as the "Payee"), your Paid Leave account number, and the amount of family leave benefits you received in 2023 (listed in Box 1 on the form).

Where can I get more information?

If you have questions about your 1099-G:

- Visit the Help Center on our website at paidleave.wa.gov/help-center/individuals-and-families/payments
- Call our Customer Care Team at 833-717-2273. Our Customer Care Team cannot provide tax advice or give additional guidance on how you should file your taxes.

Official 1099-G instructions from the IRS are on the reverse of this page.

Recipient's taxpayer identification number (TIN). For your protection, this form may show only the last four digits of your TIN (SSN, ITIN, ATIN, or EIN). However, the issuer has reported your complete TIN to the IRS.

Account number. May show an account or other unique number the payer has assigned to distinguish your account.

Caution: Identity Theft (IDT). If you suspect that you are a victim of IDT, do not report the incorrect amount shown in box 1 of Form(s) 1099-G on your tax return. Go to www.irs.gov/idtheftunemployment for more information.

Box 1. Shows the total unemployment compensation (UC) paid to you in the calendar year reported. Combine the box 1 amounts from all Forms 1099-G and report the total as income on the UC line of your tax return. Except as explained below, this is your taxable amount. If you made contributions to a governmental UC program or to a governmental paid family leave program and received a payment from that program, the payer must issue a separate Form 1099-G to report this amount to you. If you itemize deductions, you may deduct your contributions on Schedule A (Form 1040) as taxes paid. If you do not itemize, only include in income the amount that is in excess of your contributions.

Box 2. Shows refunds, credits, or offsets of state or local income tax you received. It may be taxable to you if you deducted the state or local income tax paid on Schedule A (Form 1040). Even if you did not receive the amount shown, for example, because (a) it was credited to your state or local estimated tax, (b) it was offset against federal or state debts, (c) it was offset against other offsets, or (d) you made a charitable contribution from your refund, it is still taxable if it was deducted. If you received interest on this amount, you may receive Form 1099-INT for the interest. However, the payer may include interest of less than \$600 in the blank box next to box 9 on Form 1099-G. Regardless of whether the interest is reported to you, report it as interest income on your tax return. See your tax return instructions.

Box 3. Identifies the tax year for which the box 2 refunds, credits, or offsets shown were made.

Box 4. Shows backup withholding or withholding you requested on unemployment compensation, Commodity Credit Corporation (CCC) loans, or certain crop disaster payments. Generally, a payer must backup withhold on certain payments if you did not give your TIN to the payer. See Form W-9 for information on backup withholding. Include this amount on your income tax return as tax withheld.

Box 5. Shows reemployment trade adjustment assistance (RTAA) payments you received. Include on the "Other income" line of Schedule 1 (Form 1040).

Box 6. Shows taxable grants you received from a federal, state, or local government.

Box 7. Shows your taxable Department of Agriculture payments. If the payer shown is anyone other than the Department of Agriculture, it means the payer has received a payment, as a nominee, that is taxable to you. This may represent the entire agricultural subsidy payment received on your behalf by the nominee, or it may be your pro rata share of the original payment. See Pub. 225 and the Schedule F (Form 1040) instructions for information about where to report this income. Partnerships, see Form 8825 for how to report.

Box 8. If this box is checked, the amount in box 2 is attributable to an income tax that applies exclusively to income from a trade or business and is not a tax of general application. If taxable, report the amount in box 2 on Schedule C or F (Form 1040), as appropriate.

Box 9. Shows market gain on CCC loans whether repaid using cash or CCC certificates. See the Schedule F (Form 1040) instructions.

Boxes 10a–11. State income tax withheld reporting boxes.

Future developments. For the latest information about developments related to Form 1099-G and its instructions, such as legislation enacted after they were published, go to www.irs.gov/Form1099G.

Free File Program. Go to www.irs.gov/FreeFile to see if you qualify for no-cost online federal tax preparation, e-filing, and direct deposit or payment options.