

Dear Employer,

Paid Leave premium rates are changing starting Jan 1, 2024.

Premiums, collected from employees and employers through quarterly reporting, fund the Paid Leave program. By law, we recalculate the Paid Leave premium rate annually in early October. We adjust the premium rate based on premiums contributed and benefits paid during the previous year.

### Starting Jan. 1, 2024

- The total premium rate will decrease to **0.74%**.
- Employers will pay **28.57%** of the total premium and employees will pay **71.43%**.
- Businesses classified by the Employment Security Department as having fewer than 50 employees for the 2024 calendar year are not required to pay the employer portion of the premium. However, you still need to collect the employee premium or pay employees' premiums on their behalf.

### Next steps

- Notify your employees that you will begin collecting the new rate on Jan. 1, 2024. An updated employer toolkit, mandatory poster and paycheck insert are available in the Paid Leave Help Center at [paidleave.wa.gov/help-center/employers](https://paidleave.wa.gov/help-center/employers).
- **On Jan. 1, 2024, start collecting the new premium rate each pay period from your employees' total gross wages, not including tips.** Once an employee meets the Social Security cap, you need to stop collecting premiums but continue to report their wages. The Social Security cap for the 2024 calendar year will increase to \$168,600.
- First quarter premiums using the new rate are due by the end of April 2024. Remember: You cannot retroactively withhold premiums from your employees.

### Learn more on our website

We will have more updated resources available at [paidleave.wa.gov](https://paidleave.wa.gov) for you and your employees before the end of the year, including an updated premium estimator, premium rate calculations and more reporting information.

Stay tuned!

Thank you,

Paid Family and Medical Leave