



Employment Security Department

WASHINGTON STATE

P.O. Box 19020 | Olympia, WA 98507-0020

Dear Employer,

Paid Family and Medical Leave premium rates are changing starting Jan. 1, 2025.

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 October. We adjust the premium rate based on premiums contributed and benefits paid during the previous year.

Starting Jan. 1, 2025

- The premium rate will increase to **0.92%**.
- Employers will pay **28.48%** of the total premium and employees will pay **71.52%**.
- Businesses classified by the Employment Security Department as having fewer than 50 employees for the 2025 calendar year are not required to pay the employer portion of the premium. However, you must still collect the employee premium or pay employees' premiums on their behalf.

Next steps

- Notify your employees the new rate applies to wages paid on or after Jan. 1, 2025. We will update the employer toolkit, mandatory poster and paystub insert in early November. These resources are available on the Employer Roles and Responsibilities page at paidleave.wa.gov/employer-roles-responsibilities.
- **On Jan. 1, 2025, 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 2025 calendar year will increase to \$176,100.
- First quarter premiums using the new rate are due by the end of April 2025. Remember: You cannot retroactively withhold premiums from employees.

Learn more on our website

We will have more updated resources available for you and your employees before the end of the year. Visit paidleave.wa.gov for:

- An updated premium estimator.
- Premium rate calculations.
- More reporting information for you.

Stay tuned!

Thank you,
Paid Leave