

Understanding Your Tax Liability for Paid Leave

When it comes to paid leave, it's important to be aware of your tax obligations. The reason for the paid leave you take determines whether your paid leave benefits are taxable income, are subject to employment tax, and how the paid leave benefits are reported to the IRS. The Oregon Department of Revenue determines if these benefits are treated differently for state tax.

PFMLI Benefits



Family leave and safe leave/
personal protected leave are
generally included in your
taxable income.



Medical leave benefits are included
in your taxable income based on
the percentage your employer
contributes to your paid leave
premiums, which are not given to
you as income.

If you have American Fidelity's PFMLI plan and file a claim for **your own serious health condition**, you have the option to withhold state and/or federal taxes for your benefits at the time of claim. You can notify us to change your withholding status for future benefit payments by calling 800-662-1113. Taxes cannot be withheld or refunded from benefit payments you have already received.

For other types of paid leave, American Fidelity cannot withhold taxes. You may be responsible for paying taxes on the benefits you receive when you file your next tax return. To confirm your tax obligations, refer to [IRS Publication 505](#). You may also contact the [Oregon Department of Revenue](#) or your tax advisor. American Fidelity cannot offer tax advice or determine whether taxes should be withheld from your paid leave benefits.

If you requested American Fidelity to withhold taxes from your benefits for your own serious health condition, this will be reported on your W-2 Form from your employer. For all other types of paid leave, you will receive a Form 1099-MISC from American Fidelity by the end of January each year. This form will provide details on the benefits you received. Copies of these forms will also be sent to the IRS and the Oregon Department of Revenue. If you haven't received these forms by the second week of February, please contact us through your [online account](#) or call 800-662-1113.

Additional support available at

americanfidelity.com/leave-or

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