



# New York State Paid Family Leave

## Billing information and premium calculation guide for employers

### New York Paid Family Leave (PFL) contribution rates and maximums for 2023

- New York Statewide Average Weekly Wage (NYSAWW): \$1,688.19
- Maximum wages subject to PFL contributions: \$87,785.88
- Employee contribution rate: 0.455% of gross weekly wages subject to PFL contributions
- Maximum employee contributions: \$399.43

### PFL contribution rate

The New York Department of Financial Services (DFS) has established the premium rate and maximum employee contribution for PFL coverage effective January 1, 2023 as 0.455% of employee's gross weekly wages up to the annualized NYSAWW, which is \$87,785.88 for 2023 (\$1,688.19 x 52 weeks = \$87,785.88), for a maximum annual employee contribution of \$399.43.

### PFL payroll deductions

Employers are responsible for collecting the PFL contributions from your employees through payroll deductions, up to the maximum employee contribution for 2023 per employee. Employers should deduct 0.455% of the employee's gross wages each payroll until the 2023 maximum deduction of \$399.43 has been reached for 2023. Once an employee has contributed the maximum contribution, no further deductions should be taken for the balance of the calendar year.

### Guardian billing mode

Guardian offers various billing mode options, contingent on the size of the plan, including Quarterly in Arrears, Annual in Advance\* (<25 lives only), and Monthly in Advance (50+ lives only). All billing premium reports are combined to include both DBL and PFL benefits, but listed as separate benefit items. Employers are expected to calculate both your DBL and PFL premium separately by completing their Guardian premium report and then remitting the total combined premium payment directly to Guardian at the address noted on the bill. Additional instructions on "How to Calculate your PFL Premium" are included on the reverse side of the statement based on the Billing Mode.

Please note: Our Annual in Advance DBL/PFL Premium Report will include a Reconciliation Report for the prior policy period, so that the employer may apply appropriate reconciliation adjustments

based on actual numbers in comparison to the original estimates reported. Step-by-step instructions for completion are included with the reports. An instructional tutorial video on how to complete your Annual in Advance Premium/ Reconciliation Report will also be available on [guardiananytime.com/NY-paid-leave](https://guardiananytime.com/NY-paid-leave).

\*New Business cases requesting Annual in Advance billing mode require January 1 anniversary alignment.

## How to calculate employee's PFL contribution — payroll deduction

### PFL employee payroll deduction

Deduct 0.455% of employee's gross weekly wages up to the annualized NYSAWW (\$87,785.88), for a maximum employee contribution of \$399.43 for the 2023 calendar year.

[Wages x 0.455% (0.00455) = PFL payroll deduction]

### Keep track of PFL contributions/payroll deductions for each employee

When cumulative total of an employee's 2023 PFL contributions = \$399.43, then STOP payroll deductions for balance of the 2023 calendar year.

(PFL is to be handled similarly to FICA tax deductions)

### For example (assume weekly payroll):

**Employee A:** Annual Wages= \$60,000; \$1,154 per week

- PFL Payroll Deduction
- Weeks 1-52= \$5.25 per week (\$1,154 x 0.00455 = \$5.25)
- Total for 2023=\$273.04 (\$5.25 x 52 weeks)

**Employee B:** Annual Wages = \$120,000; \$2,308 per week

- Weeks 1-38 = \$10.50 per week (\$2,308 x 0.00455 = \$10.50)
- Week 39 = \$0.43 (Prior YTD deductions = \$399.05, max deduction \$399.43)
- Week 40-52 = \$0
- Total for 2023=\$399.43 (\$10.50 x 38 weeks + \$0.43 week 39 = \$399.43)

# How to calculate employee's PFL contribution — payroll deduction

## Quarterly in Arrears

**1** Report Total Wages subject to the PFL contributions for all NY eligible employees for the Billing Period noted on the Guardian Premium Report. For example, 1st Qtr 2023 — include all wages subject to PFL contributions for all eligible employees for 01/01/2023 - 03/31/2023. However, do not include any employee's wages in excess of the annualized NYS Average Weekly Wage cap of \$87,785.88.

- If employee's cumulative 2023 wages are less than \$87,785.88 for the billing period, then assume their actual wages.
- If employee is estimated to earn more than \$87,785.88, then use \$87,785.88 as their wages since wages subject to PFL are capped at the annualized state average weekly wage.

For example, see chart below to review a sample group of four (4) employees and review Quarterly Wages/ Premium Calculations



**2** Total Wages calculated in step 1 for all employees on your Guardian Premium Report as Total Wages for the billing period.

**3** Multiply the Wages in step 2 by 0.00455 (this is the equivalent factor for 0.455%) and enter this calculated amount on the Guardian Premium Report as the PFL Premium due for the Quarterly Billing Report.

Employee	2023 Qtrly Wages	1 <sup>st</sup> Qtr Wages	2 <sup>nd</sup> Qtr Wages	3 <sup>rd</sup> Qtr Wages	4 <sup>th</sup> Qtr Wages	2023 Total Wages
1	\$10,000	\$10,000	\$10,000	\$10,000	\$10,000	\$40,000.00
2	\$15,000	\$15,000	\$15,000	\$15,000	\$15,000	\$60,000.00
3	\$30,000	\$30,000	\$30,000	\$27,785.88	\$0	\$87,785.88
4	\$45,000	\$45,000	\$42,785.88	\$0	\$0	\$87,785.88
<b>Totals</b>	<b>\$100,000</b>	<b>\$100,000</b>	<b>\$97,785.88</b>	<b>\$52,785.88</b>	<b>\$25,000</b>	<b>\$275,571.76</b>
<b>PFL Contribution Rate:</b>		0.00455	0.00455	0.00455	0.00455	0.00455
<b>PFL Premium Due:</b>		\$455.00	\$444.93	\$240.18	\$113.75	\$1,253.85

## Annual in advance\*

**1** Estimate the 2023 Annual Wages subject to the PFL contributions for all NY eligible employees. However, do not include any employee's wages in excess of the annualized NYS Average Weekly Wage, which is \$87,785.88.

- If employee is estimated to earn less than \$87,785.88, then assume his/her actual estimated 2023 wages.
- If employee is estimated to earn more than \$87,785.88, then use \$87,785.88 as their wages since wages subject to PFL are capped at the annualized state average weekly wage.

**2** Enter the Total Wages calculated in step 1 for all employees on your Guardian Premium Report as Total Wages for billing period.

**3** Multiply the Wages in step 2 by 0.00455 (this is the equivalent factor for 0.455%) and enter this calculated amount on Guardian Premium Report as the PFL Premium due for 2023.

## Monthly in advance

**1** Estimate the 2023 Monthly Wages subject to the PFL contributions for all NY eligible employees. However, do not include any employee's wages in excess of the annualized NYS Average Weekly Wage, which is \$87,785.88.

- If employee is estimated to earn less than \$87,785.88, then include all monthly wages for the billing month.
- If employee's cumulative wages are more than \$87,785.88, then only include wages for the respective billing month up to the annual cap of \$87,785.88 as the wages subject to PFL are capped at the annualized state average weekly wage of \$87,785.88.

### For example:

**Employee A** earns \$5,000/month, \$60,000/year

- Wages Subject to PFL = \$5,000/month (Jan–Dec)
- 2023 Cumulative PFL wages = \$60,000
- 2023 PFL Premium for Employee A = \$22.75/month, \$273.00/year

**Employee B** earns \$10,000/month, \$120,000/year

- Wages Subject to PFL = \$10,000/month (Jan–Aug), \$7,785.88 (Sep), \$0 (Oct–Dec)
- 2023 Cumulative PFL Wages = \$87,785.88, maximum for 2023
- 2023 PFL Premium = \$45.50/month (Jan - Aug), \$35.43 (Sep), \$0 (Oct–Dec), \$399.43/year

**2** Enter the Total Wages calculated in step 1 on your Guardian Premium Report as Total Wages for billing period.

**3** Multiply the Wages in step 2 by 0.00455 (this is the equivalent factor for 0.455%) and enter this calculated amount on the Guardian Premium Report as the PFL Premium due for the billing period.