A program that allows employees in Oregon to take paid time off for some of life’s most important moments that impact our families, health, and safety.

What are contributions?
Employees and employers pay contributions to support Paid Leave Oregon.

What are contributions used for?
- Paid leave benefits for employees
- Grants to help small employers when their employees use paid leave
- Program administration

How much are contributions?
Contributions are a percentage of wages. The rate for 2024 is 1% of up to $168,600 in wages. Employers and employees each pay a share of the contribution rate.

How are contributions shared between employers and employees?
Employees pay 60% of the set contribution rate, and employers pay 40%. For example, if an employee made $1,000 in wages, the employee would pay $6 and the employer would pay $4 for this paycheck. Employers may choose to pay part or all the employee portion as a benefit for their employees.

Which employers and employees must participate in Paid Leave?
All employers, except for federal and Tribal governments, must participate in Paid Leave. Tribal governments may choose to provide coverage through the program.

Most employees, except employees of federal and tribal governments and a few other exceptions, must participate in Paid Leave. Employees of Tribal governments participate if their Tribal government chooses coverage. Self-employed people and independent contractors may also choose to participate.

What support is available to small employers?
Small employers (fewer than 25 employees) don’t have to pay the employer portion of contributions.
Assistance grants are available for small employers to help with the costs of replacing an employee taking paid leave. The grants cover up to $3,000 per employee for up to 10 employees per year ($30,000 total). Small employers that receive grants agree to pay the employer portion of contributions for two years following their most recent grant.

How do employers report wages and pay contributions to the department?
Contributions are a payroll tax and are included in the combined payroll forms. Employers deduct employees’ paid leave contributions from paychecks. Employers then report wages and pay both the employee and employer contributions through the combined payroll reporting process.

Do employees who live or work in multiple states have to pay contributions?
Employees who primarily work in Oregon, even if they live in another state or occasionally work in another state, must pay contributions. Oregon residents who work entirely in another state don’t pay contributions. Please see our Place of Performance Fact Sheet.

How are Paid Leave contributions different from Unemployment Insurance tax?
The Employment Department administers both Paid Leave contributions and Unemployment Insurance Program taxes. Below are some program similarities and differences.

<table>
<thead>
<tr>
<th>Paid Leave Oregon contributions</th>
<th>Unemployment Insurance Program taxes</th>
</tr>
</thead>
<tbody>
<tr>
<td>Same contribution rate for all employers. Rate is not connected to benefit usage from employer.</td>
<td>Different tax rates for employers. Rate is connected to benefit usage from employer.</td>
</tr>
<tr>
<td>Contribution rate and maximum wage set annually by November 15.</td>
<td>Tax rates and taxable wage base set annually by November 15.</td>
</tr>
<tr>
<td>Contributions paid by employees and employers.</td>
<td>Tax paid by employers only.</td>
</tr>
<tr>
<td>Contributions based on employee wages.</td>
<td>Tax based on employee wages.</td>
</tr>
<tr>
<td>Contribution paid through combined payroll reporting.</td>
<td>Tax paid through combined payroll reporting.</td>
</tr>
<tr>
<td>No reimbursement option for employers.</td>
<td>Some employers can reimburse for benefits instead of paying tax.</td>
</tr>
<tr>
<td>Penalties and interests for employers for late reporting and contribution payments.</td>
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</tr>
</tbody>
</table>

Are there alternatives to the state paid leave plan for employers?
Yes, employers can apply for approval to use their own equivalent plan to provide benefits that are equal to or greater than those provided by the state paid leave program. Employers with an approved equivalent plan still report wages through payroll reports, but they don’t have to pay contributions. Information about equivalent plans is available online.