

Maine Paid Family & Medical Leave

What Employers Need to Know: *Program Contributions*

A COUNT YOUR EMPLOYEES

Contribution rates are determined by the number of Maine employees you had between October 1, 2023 and September 30, 2024. Within that period, count the number of employees to whom you paid wages each week. This includes any employees who were on payroll for a calendar work week – including full time, part time, seasonal, or per-diem. If there are 15 or more Maine employees paid in 20 or more of the weeks, your contribution premium will be 1.0% of wages and you may withhold up to half of the premium from your employees’ wages. If the threshold is not met, your contribution premium will be 0.5% of wages and you may withhold all or a portion of the contribution from your employees’ wages. Wages mean all compensation, including tips, gratuities, severance, terminal pay, commissions, and bonuses. Wages do not include payments to independent contractors.

To determine if an individual is a Maine employee, the following criteria are used. If you can answer “yes” to this series of questions, then the individual is a Maine employee.

1. Is the employee’s work performed in Maine?
IF NO, GO TO QUESTION 2 ↓
2. Does the individual perform some work in Maine and the physical base of operations in Maine?
IF NO, GO TO QUESTION 3 ↓
3. Does the individual perform some work in Maine AND is the service directed and controlled from Maine?
IF NO, GO TO QUESTION 4 ↓
4. Does the individual perform some work in Maine and live in Maine?
IF NO, THE INDIVIDUAL IS **NOT** A MAINE EMPLOYEE

B PREPARE TO WITHHOLD CONTRIBUTIONS

You may withhold up to 0.5% of your employees’ wages beginning with the first pay date in January 2025. **Prior to December 20, 2024, you must email your designated CSR to communicate your contribution preference from the options below.** Be sure to inform your employees in advance that this will begin. The Department of Labor has a poster that you can use to provide the information. Contributions and wage reports for the January to March 2025 quarter will be due after the end of the quarter and no later than April 30, 2025. As your payroll provider, Payroll Management will collect and pay the tax on your behalf.

Please select from the option that reflects your company size:

15 or more employees	100% employer OR 50% employer, 50% employee (contribution equal to 1% of employee wages)
Less than 15 employees	100% employer OR 100% employee (contribution equal to .5% of employee wages)

C REGISTER IN THE PAID LEAVE PORTAL

In January, all employers will be required to register in the Paid Leave Portal. During the registration process, you can designate Payroll Management as your payroll provider. You will also need to identify whether you have 15 or more employees as described above.

D STAY INFORMED

Stay up to date on the latest information at Maine.gov/paidleave. Sign up for the “Get Notified” email list to get program and portal information as it is released.