

# Employer Notice to Self-Employed Individual

## Rights and Obligations under the Massachusetts Family and Medical Leave Law, M.G.L. c. 175M

_____ (Employer Name)
_____ (Employer Street Address)
_____ (Employer City, State, Zip)
_____ (Employer's ID Number)

Under the Massachusetts Family and Medical Leave Law, M.G.L. c. 175M, a **covered business entity** is required to provide to each of its 1099-MISC contractors, at the time the contract is made, the information provided in this Notice.

A **covered business entity** is a business or trade that contracts with self-employed individuals for services and is required to report the payment to such individuals on IRS Form 1099-MISC **for more than 50 percent of its workforce**.

### This employer:

- Is** a covered business entity under the law
  
- Is not** a covered business entity under the law

If this employer is a **covered business entity**, it is required under the law to remit contributions, on behalf of its 1099-MISC contractors as if they were employees, as outlined below. Accordingly, if this business is a covered business entity, you may be eligible for income replacement in certain circumstances as outlined below in the section titled "**Explanation of Benefits**."

If this employer is not a covered business entity, you may still choose to become a covered individual under the Family and Medical Leave law. If you choose to do so, you will be responsible for paying 100% of your own contribution as outlined below in the section titled "**If Business is not a Covered Business Entity, Self-Employed Individuals may choose to become Covered Individuals**."

## Explanation of Benefits

- **Beginning January 1, 2021,**
  - 1099-MISC contractors of a covered business entity may be entitled to up to 12 weeks of paid family income replacement in a benefit year for the birth, adoption, or foster care placement of a child, or because of a qualifying exigency arising out of the fact that a family member is on active duty or has been notified of an impending call to active duty in the Armed Forces;
  - 1099-MISC contractors of a covered business entity may be entitled to up to 20 weeks of paid medical income replacement in a benefit year if they have a serious health condition that incapacitates them from work.
  - 1099-MISC contractors of a covered business entity may be entitled to up to 26 weeks of paid family income replacement in a benefit year to care for a family member who is a covered service member undergoing medical treatment or otherwise addressing consequences of a serious health condition relating to the family member's military service;
- **Beginning July 1, 2021,**
  - 1099-MISC contractors of a covered business entity may be entitled to up to 12 weeks of paid family income replacement in a benefit year to care for a family member with a serious health condition.
- 1099-MISC contractors of a covered business entity may be eligible for up to 26 total weeks, in the aggregate, of paid family and medical income replacement in a single benefit year.
- The weekly benefit amount will be based on the 1099-MISC contractor of a covered business entity's earnings, with a maximum benefit of \$850 per week.

## Contributions to the Department of Family and Medical Leave's Employment Security Trust Fund

On July 1, 2019, contributions to the Department of Family and Medical Leave (DFML)'s Family and Employment Security Trust Fund will begin. The **covered business entity** is required to send contributions to the DFML for all 1099-MISC self-employed individuals in its workforce if those self-employed individuals make up more than 50 percent of its workforce.

Currently, the total contribution amount is 00.63% of earnings. Of that 00.63% total contribution amount, there is a split: 17.5% is a family leave contribution and 82.5% is a medical leave contribution.

Under the law, **covered business entities** are permitted to deduct from 1099-MISC self-employed individuals' earnings up to 40% of the medical leave contribution (82.5% of the 00.63% of earnings) and up to 100% of the family leave contribution (17.5% of the 00.63% of earnings).

Medical Leave	_____ (Employer Name)	will contribute	___%	of the medical leave contribution
		and the remaining	___%	will be deducted from your earnings

Family Leave	_____ (Employer Name)	will contribute	___%	of the medical leave contribution
		and the remaining	___%	will be deducted from your earnings

### How to File a Claim

Covered individuals must file claims for paid family and medical income replacement with the DFML using the Department’s forms. Forms and claim instructions will be available on the Department’s website [www.mass.gov/DFML](http://www.mass.gov/DFML) before January 2021, when benefits first become available.

1099-MISC contractors are required to provide at least 30 days’ notice to the covered business entity of the anticipated starting date of any leave, the anticipated length of the leave and the expected date of return. A 1099-MISC contractor who is unable to provide 30 days’ notice due to circumstances beyond his or her control is required to provide notice as soon as practicable.

### Private Plan Exemption

A covered business entity that offers paid leave with benefits that are at least as generous as those provided under the law may apply for an exemption from paying the Department of Family and Medical Leave Family and Employment Security Trust Fund contribution. A covered business entity may apply for an exemption from the medical leave contribution, family leave contribution, or both.

The details of any private plan must be provided to 1099-MISC contractors by covered business entity at the same time as this Notice.

<hr/> <p>(Employer Name)</p>	<p><input type="checkbox"/> Does not have an approved private plan;</p> <p><input type="checkbox"/> Has an approved private plan for both family and medical leave;</p> <p><input type="checkbox"/> Has an approved private plan for family leave only;</p> <p><input type="checkbox"/> Has an approved private plan for medical leave only.</p>
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**If the Employer is not a Covered Business Entity, Self-Employed Individuals may choose to become Covered Individuals**

- If this employer is not a covered business entity, as a self-employed individual you may elect to become a covered individual under the Family and Medical Leave law. This election shall be for an initial period of not less than three years, and you will not be eligible for benefit payments until you have paid the required contributions for at least two out of four completed calendar quarters.
- To elect coverage a self-employed individual must file a Self-Employed Notice of Election with the DFML and thereafter register, file, and begin making contributions to the DFML Family and Employment Security Trust Fund through MassTaxConnect.
- A self-employed individual who elects coverage will be responsible for the full contribution amount, based on that individual’s income from self-employment. If a self-employed individual elects coverage and fails to remit contributions owed for at least three years, the self-employed individual may be disqualified from electing coverage thereafter.



**Department of Family and Medical Leave Contact Information**

**The Massachusetts Department of Family and Medical Leave**  
Charles F. Hurley Building  
19 Staniford Street, 1<sup>st</sup> Floor  
Boston, MA 02114  
(617) 626-6565  
[www.mass.gov/DFML](http://www.mass.gov/DFML)



**More Information is Available**

For more detailed information, please visit the Department’s website: [www.mass.gov/DFML](http://www.mass.gov/DFML).

**ACKNOWLEDGMENT**

Your signature below acknowledges your receipt of the information above at the time your contract was made or prior to July 1, 2019, whichever is later.

\_\_\_\_\_  
**Signature**

\_\_\_\_\_  
**Date**

\_\_\_\_\_  
**Name (Print)**

Your signed acknowledgement will be retained by the covered business entity. Please retain a copy for your own reference. In the event that you refuse to sign this acknowledgement, the covered business entity must permit you to sign a statement indicating your refusal to sign this acknowledgement, and that will be retained by the covered business entity.