



For Employer Solution Providers:

How to Use This Guide in Employer Conversations

This guide is designed to help employers quickly determine whether the 45S Employer Tax Credit for Paid Family & Medical Leave is relevant to them and, if so, what comes next. It is not legal or tax advice.



Use this guide when:

- An employer is exploring paid family & medical leave benefits
- An employer asks whether recent changes to 45S apply to them



This guide works best as:

- A conversation tool
- A leave-behind after an initial discussion
- A filter, not a guarantee of eligibility

Your role:

I am a FamTech company...

- Build relationships with employers by acting as an expert partner
- Support data preparation where applicable
- Provide templates and operational tools

I am a tax or legal advisor...

- Confirm eligibility and tax treatment
- Advise on filing and carry-forward strategy
- Interpret IRS guidance



Eligibility Outlook by Employer Type

45S is most impactful where employers both (1) have federal income tax liability and (2) employ a large share of workers under the wage cap who are not already covered by generous leave policies. *(For orientation only—not an eligibility test)*

Employer Type	Eligibility Outlook	Rationale
Retail, hospitality, franchise operators	★★★★☆	Strong tax liability likelihood; large hourly workforce under compensation cap; credit can materially offset new or expanded leave policies.
For-profit healthcare, childcare & senior care	★★★★☆	Taxable employers with high concentration of qualifying wage earners; strong retention pressure makes 45S economically compelling.
Warehousing, logistics, manufacturing	★★★★☆☆	Typically taxable; sizable eligible wage base; structured leave programs (often insurer-based) align well with credit requirements.
Tech, finance, professional services	★★★★☆☆	High tax liability but smaller eligible wage base; many already exceed leave standards, so incremental credit value may be modest.
Nonprofits, hospitals (501c3)	☆☆☆☆☆	Generally ineligible due to lack of federal income tax liability (credit is non-refundable).

To discern company type, you can check on publicly traded companies' tax liability via [this link](#), checking for 10k eligibility.