

Sick leave donations will be considered a taxable event to the donor unless the situation qualifies as a medical emergency pursuant to IRS guidelines. For sick leave donation purposes, a medical emergency is defined as “a major illness or other medical condition that requires a prolonged absence from work (40 hours), including intermittent absences that are related to the same illness or condition”. Donations not qualified as medical emergencies will have the cash value of the donated sick leave included in gross income of the donor, and will be treated as wages for employment tax purposes. Such wages will be considered a lump-sum payment and subject to 25% income tax, Medicare, and applicable social security withholdings. Individuals making a donation are encouraged to consult a tax advisor.

Sick Leave Donors

Employees who wish to donate sick leave to another employee will complete the Sick Leave Direct Donation – Donor Form and submit it to Human Resources.

An employee is not required to be in a leave-accruing position at the time a donation is made, but will need to have sufficient hours to cover the donation.

A donor may donate any amount of his or her available sick leave accruals to an eligible recipient.

IMPORTANT: Tax implications - in accordance with Internal Revenue Service policy, unless a medical emergency applies the cash value of donated sick leave is includable in your (the donor’s) gross income and will be treated as wages for employment tax purposes with such wages being considered a lump-sum payment subject to 25% income tax, Medicare, and applicable social security withholdings.

NOTE: Once sick leave is donated it will no longer be your property and may not be returned to the donor if the recipient is unable to use the donated sick leave. Donated sick leave may not be paid to the Estate, donated to sick leave pool or transferred to another employee.

Sick Leave Recipients

Employees may receive hours if they:

- are in the same agency as the donor;
- have exhausted all of their sick leave accruals;
- have exhausted any previously donated hours they received; and
- have exhausted the full allocation of hours from the sick leave pool.

Eligibility to Receive Sick Leave Donation

Can You Have a Vacation Leave Balance?	Can You Have a Sick Leave Balance?	Can You Have a Sick Leave Pool Balance?	Can You Have a Donated Sick Leave Balance?	Do You Need to Be out More Than 160 Hours?
Yes	No	Maybe	No	No

