



EMERGENCY RESPONSE BENEFITS

UNIVERSAL BENEFIT ACCOUNT®

Crisis PTO Account

What is the Employee Benefit?

Employers create an account where employees can donate their earned PTO hours to other employees struck by a governmentally-declared major disaster or emergency. There are some legislative restrictions on how the donated hours are distributed and to whom. Employees can help fellow employees suffering during a time of disasters and national emergencies. There is a tax advantage for those who donate hours and it is a simple and easy (even anonymous, if desired) way for employees to help their peers. The employer must put a written plan in place to address account requirements.

Employees apply to receive PTO hours, if approved, the employer initiates disbursement of those hours to the employee to be used for PTO needs during the disaster or emergency.

Things to Know:

Plan Design	Employer determines who gets the PTO hours. In order to maintain the tax advantage, an employee cannot designate a recipient for their donated PTO time. The employer should make a reasonable determination, based on an individual's need, as to how much PTO an individual can receive under the plan.
Eligible Expenses	n/a
Limits	The amount of PTO hours that an employee may donate in any year generally may not exceed the maximum amount of PTO that the employee would normally accrue during the year. In addition, the plan must establish a reasonable limit, based on the severity of the disaster or emergency, on the during the disaster or emergency during which an employee may donate PTO hours and the employee receiving the donated hours must use those hours. Any remaining PTO hours remaining once the period specified in the plan ends must be returned proportionately to those employees who donated the time so they can use it during the year.
Eligibility Requirements	Any employee is eligible to participate and apply to receive hours from the Crisis PTO Account.
Funding	Employee donations of PTO hours.
Enrollment	Employees can be enrolled at any time by the employer upon approving an employee to receive hours from the Crisis PTO Account.
Disbursements	Once an employee's application is approved, the employee will receive hours in their PTO account to be used.
Tax Implications	Employees who donate PTO will not be taxed on the donated PTO hours. Employees who use the donated PTO will be taxed on the actual hours used, i.e., the pay based on the hours used are treated as W-2 wages and withholding purposes.

Additional Resources

We want to help! You don't need to be a TASC customer to call our hotline or download our helpful documents.

General questions on this benefit	Want to administer this account yourself	Want guidance for your benefits TPA?	Want to have TASC handle this benefit for you?
Call our Special Forces COVID-19 hotline: Call 1-833-433-1002	Download our helpful How-To document: Get Started.	Share our How-To document with your administrator: Get Started.	Contact us to do all or part of this work effort for you: 1-888-595-2261, or Get Started.



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Why TASC?

For more than 40 years, TASC has been a leader, an innovator, and a partner of employers committed to ensuring the health, wealth and well-being of their employees and their employees' families and community. TASC was a pioneer in assisting sole-proprietor farmers and small businesses save billions in tax dollars through the adoption of health reimbursement plans; challenging many ill-informed IRS auditors, accountants, and naysayers along the way. TASC, through FlexSystem, brought the idea of a Cafeteria Plans to large and small businesses; challenging the notion that such plans were burdensome, complicated and difficult to administer.

There from the beginning of Section 125, TASC has brought its knowledge and expertise forward with the idea that together we can improve lives of many, strengthen our communities, and make benefits feel like benefits. TASC understands that each employers circumstance is different. TASC offers its guidance based upon the wealth of its experience as an employer and as a benefits administrator. It is not legal or tax advice and should not be taken as such but is offered to prompt knowledgeable inquiry of your plan professionals and provoke thoughtful plan decision making.