credit of up to 25% of family and medical leave wages, beginning in 2018. But there

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A little-noticed provision in the new tax law may provide a big tax benefit to

employed there longer than one year. But your company doesn't have to fall under the FLMA mandate to qualify for the credit. Thus, it's available to businesses of all shapes and sizes.

To qualify for the credit, an employer must provide a leave of at least two weeks at a rate of at least 50% of regular earnings. Of course, if the employer chooses to do so, it can pay the full amount of regular wages of workers who go out on leave. In that case, the employer is entitled to the maximum 25% credit.

As for other employers, the credit percentage ranges from 12.5% to 25% of a paid leave, depending on the rate of the wages paid. For starters, the credit is equal to just 12.5% of the wages if the employer pays the minimum 50% of the regular pay rate. This percentage gradually increases to the 25% maximum if the employer kicks in the regular amount of wages.

For example, say a worker is normally paid at a rate of $25 an hour and works 40 hours a week, for a weekly total of $1,000. If the employer pays her 60% of the regular wage – or $15 an hour – and she takes a leave of twelve weeks, the pay comes to $7,200. On these facts, the credit percentage is 15%, so the employer may cut $1,080 (15% of $7,200) from its tax bill.

However, the credit is available only for wages paid to workers employed at the company for at least a year who are paid no more than $72,000 annually. Going forward, this limit will be adjusted for inflation.

Family and medical leaves must be offered to both full-time and part-time workers who have been with the employer for more than one year. Otherwise, the employer can't claim the leave credits. The employer must establish a written policy regarding such leaves.

Also, “double dipping” is not allowed. In other words, if an employer claims the