

Caltech Tax Disclaimer- Updated on 6/27/23

The value of any subsidy provided by Caltech to assist eligible participants with backup childcare must be treated as taxable income. The subsidy is considered a taxable income. The amount of income you receive that is associated with Care.com backup childcare is the difference between the fair market value of the service provided and your copayment. The subsidized amount you receive toward backup childcare will be included as imputed income on your paycheck and will be subject to tax withholding. It will also be reported on your year-end W2 [Box 1]. If you do not receive a paycheck but receive a fellowship, the imputed income will be reported on a 1099-MISC.