

US Bravo Point Redemption – IRS Tax Reporting Requirement (FAQ)

Starting in 2026, we will fully align with IRS guidelines that categorize certain recognition awards as taxable fringe benefits. This will apply to US associates only. Because Bravo point redemptions can be used for merchandise, gift cards, or similar items, we are required to calculate and withhold applicable taxes on those rewards.

What’s Changing?

Starting with the February 6th paycheck:

- Any Bravo points redeemed in 2026 and onward will appear on your check.
- Moving forward, Bravo redemptions will be recorded every pay period, based on redemptions from the two weeks prior.
- You will also see a catch-up entry on the February 6th check for any points redeemed in January 2026.

How It Will Appear on Your Paycheck

You will see:

- An earning entry for the value of redeemed points – **Recognition Points Award**
- An off-setting deduction entry

Bravo Points Redemption			
Earnings			
Description	Rate	Amount	
Group Term Life	0.00	2.53	
Bravo Point Redemption	0.00	10.00	
Salary Pay	0.00	0.00	
	Total:	10.00	
Employee Taxes			
Description	Amount	YTD	
OASDI	250.05	499.47	
Medicare	46.15	116.81	
Federal Withholding	304.38	608.76	
	612.91	1,225.04	
Post-Tax Deductions			
Description	Amount	YTD	
Bravo off-set	10.00	10.00	
DHOSINDEE—Hospital Indemnity	34.39	43.56	
Employee Life	21.78	17.12	
Voluntary Accident	8.56	17.12	

This is called an “in and out” method and updates your gross taxable wages to record the redemption. Your net pay will be adjusted only by the tax amount calculated to remit those taxes to the applicable agencies (IRS, state, locality).

Frequently Asked Questions

Why is this happening?

The IRS requires taxation of certain non-cash awards. This process ensures we remain compliant with federal regulations.

Does this change my pay?

No. You will see entries in both earnings and deductions, but the amounts offset each other. Only the taxes on the value of the redeemed points are withheld.

Will this reduce my Bravo points or change how I earn them?

No. This affects only payroll reporting—not how Bravo points are awarded or used.

What time period does each pay period include?

Each paycheck will reflect Bravo redemptions from the prior two weeks.

Who do I contact if something doesn't look right?

Please reach out to the Payroll Team at payroll@nbly.com with any questions about what you see on your paycheck.

Can Payroll give tax advice?

No. Payroll can explain what appears on your check, but we cannot provide personal tax guidance. For questions about your individual tax situation, please consult your tax advisor.