**Lay Off Letter - Format, Meaning, Tips, Examples, and More**

A company lay-off is an emotionally charged event especially when it is the fault of their own. What’s even harsher is that companies have to issue a lay-off letter to all the impacted employees to inform them about their terms of services for the company.

**What is a Lay-off Letter?**

A Lay-off letter is a letter informing the employees about their termination. This letter is used when the company wants to terminate an employee for reasons that were not caused by their own actions or performance. Reorganization, relocation, economic downturns, mergers, buyouts, and other external factors are usually the cause.

A Lay-off letter should clearly inform the employees about their lay-off, and brief the next steps regarding the company property, benefits, pay, and the last working day. It should also inform the employees whether it is a permanent or a temporary lay-off.

NOTE: If you are planning to lay off your employees, make sure to have your attorney review your lay-off plans and lay-off letter as well. If you are a company with 100+ employees, you will have to read the [WARN Act](https://www.in.gov/dwd/warn-notices/) before laying off the employees.

**Importance of Employment Attorney During Lay-off**

Companies do lay-offs with the assistance of an attorney to ensure that their lay-offs are legal and non-discriminatory. Your lay-off letters should always be reviewed by the attorney who can help you to make certain that your lay-offs are kind, fair, legal, and above board.

**How to Write a Lay-off Letter?**

Lay-off letters are the best way to communicate with the employees during lay-offs. If you are a human resource manager or an operations manager in the company conducting lay-offs, you can use the below steps to write the lay-off letters.

**1. Write Directly to the Employee**

You can personalize your communication with the employee when you directly address them in the letter. Always ensure that the letters are reaching the correct individuals. Also, if you are planning to lay off multiple employees, use an autofill program to ensure that each team member receives the letter addressed to them.

**2. Be Concise and To-the Point**

The first sentence of your letter should state the letter’s aim clearly. Rather than trying to soften the message, it's crucial to be forthright. Your team members may prefer a direct approach because it eliminates the need for them to make assumptions or try to decipher the message. It's fine to use language that expresses regret, but it should enhance rather than obscure the message. Include the exact day on which their layoff will begin.

**3. Thank Employees for their Contributions**

It is crucial to thank the employees for their time and energy, as it shows the company’s gratitude towards them. It also helps you to inform them that the lay-off is not due to their performance. You can also thank them for the specific contributions they have made in their position.

**4. Provide Information about Benefits and Pay**

The employee must know when and how they are going to receive their last paycheck. It is the best practice to inform the employees about the termination of their benefits if they are eligible for some benefits. Also, add information about their health insurance termination date, and how their current time-off balance will affect their last paycheck.

**5. Specify all Relevant Resources for the Employee**

Links to the health insurance policy page for more information are among the relevant resources for the team member. You can also add financial assistance and unemployment benefits resources. You can provide separation documents with the letter or let them know when they should expect to receive it.

**6. Include your Name, Title, and Contact Information**

Include your contact information and sign the layoff letter with a professional closure. Including your contact information makes it easy for team members to communicate with you if they have any additional questions or comments. You can provide your company's phone number and email address, as well as an appointment calendar.

With UBS **HRMS Software India**, you can get access to all the relevant HR Letters, forms, and policies in just one platform and reduce your headache of preparing letters every time it is required.

**Lay-off Letter Format**

| Dear [Employee Name],  We regret to inform you that we are laying you off from your position as [Job Title] effective [last day of working]. This letter should be considered [permanent/temporary].  [Company name] must lay off [number] employees due to a recent [restructuring, economic slump, buyout, etc].  Individual performance has nothing to do with these layoffs.  You will be paid [amount of severance pay] and will continue to receive [whatever benefits they are receiving] until [benefits stop date].  By [return date], the following firm property must be returned:  [insert a list of company property that needs to be returned.]  Thank you for everything you've done for the company. Please contact [contact name] if you have any additional inquiries.  I wish you much success in your future undertakings.  Sincerely,  [Your Name]  [Designation]  [Phone Number]  [Email] |
| --- |

**Letter of Lay-off Example**

| Dear Ruta Patel,  I regret to inform you that, as of August 12, 2021, you will be laid off from your current position as an interior design professional. XYZ Solutions Pvt. Ltd. is reducing numerous divisions, including Style and Decoration, due to recent reorganization.  Thank you for your tireless work to beautify the buildings and improve our aesthetics. Your health and other benefits will be extended for the remainder of the month. Your last paycheck will be deposited straight into your account on August 23, 2021, and will include compensation for your current balance of paid time off.  To organize your exit interview and submit your separation paperwork, please contact the human resources department.  Best,  Shyam Patel  HR Representative  +91-9182736450  shyam.patel@xyzsolutions.com |
| --- |

**Conclusion**

Lay-offs are heartbreaking, therefore, lay-off letters should be kind and to the point. At Ultimate Business Systems, the customizable Letter templates will help you generate and organize letters for your company — for free!

Whether you need to draft polished lay-off letters, appreciation letters, or confirmation letters, our customizable Letter Templates will help you generate and organize letters for your company – for free! Customize and publish any of our free confirmation letters, consent letters, cover letters, letters of recommendation, and more templates to get started. Your online letter form submissions will be immediately turned into polished, professional letters that are simple to download, print, and email.

You can customize any letter template using UBS’s Live edit feature to meet your specific requirements. Get in touch with us to know more about India's Leading **HRMS Software**.

**Meta Description -** Lay-offs are a difficult yet crucial part of an organization. Inform your employees about the lay-off using the free and customized lay-off letters at India’s leading HR Toolkit.

**Format 1**

| [Company Name]  [Street Address]  [City, ST ZIP Code]  [Date]  Dear [employee name],  I regret to inform you that, due to [insert reason for temporary layoff], it has become necessary for the company to temporarily reduce its workforce.  You will be temporarily laid off effective from the [insert date], with an expected return to work on [insert date]. If this date changes, you will be given a 14-day written notice.  You will receive certain layoff benefits, which are listed below:   * [Benefits] * [Benefits] * [Benefits]   Thank you for your continued contributions to the company. If you have any further questions about your rights and layoff benefits, please get in contact with [contact name and details].  Sincerely,  [Your Name]  [Title] |
| --- |

**Format 2**

| [xx], 2020    ***Personal & Confidential***    [Name]  [Address]  [City, AB]  [Postal Code]    Dear [first name],    RE: **Employment Status – Temporary Layoff**    We regret to inform you that due to economic and industry forces beyond our control, it has become necessary to lay off your position. This layoff should be considered temporary.    As per [Your Company’s Name]’s employment standards, this letter is to inform you of your layoff effective [date], which reflects [amount] week(s) working notice.    During your working notice, we will continue to provide group insurance coverage. Your health insurance coverage will terminate effective your last working day, [date].    We want you to know that this layoff is not related to individual performance. You have been a dedicated, contributing employee during your tenure with [company name].    The following company property must be returned by [return date]:  · [list]    Thank you for your contributions to [company name]. Should you have any questions relating to the foregoing, please do not hesitate to contact me. My best wishes for success in your future endeavors.    Sincerely,  [Name]  [Title]    Enclosures  [Your Company’s Employment Standards Code] |
| --- |

**Format 3**

| [Company Name]  [Street Address]  [City, ST ZIP Code]  [Date]  Dear [employee name]  I regret to inform you that due to the COVID-19 (Coronavirus) pandemic, it has become necessary for the company to temporarily reduce its workforce. You will be laid off effective from [insert date].  We will communicate potential return dates as we learn more about this issue. You will receive certain layoff benefits which are listed below:   * [List benefits]   Thank you for your continued contributions to the company. If you have any further questions about your rights and layoff benefits, please get in contact with [contact name and details].  Sincerely,  [Your Name] [Title] |
| --- |