

COVID-19 Weekly Update Week 20

August 13, 2020

Regularly Check [ACEC California News and Updates](#)

Regularly Check [ACEC National Coronavirus Resource Center for Updates](#)

Information about the Payroll Tax Presidential Memorandum

Advocates with our ACEC National office in Washington D.C. have been extremely active in the development of the Payroll Protection Program (PPP). Recently, the Administration put forth a [presidential memorandum](#) on payroll tax deferral. Our National office would like to share the following information on that [presidential memorandum](#) on payroll tax deferral:

- The IRS is working on guidance as fast as possible – it could be released this week or next.
- The two biggest issues are whether the payroll tax deferral is mandatory or optional, and what is the liability for employers if the tax is not withheld from employee paychecks and not ultimately forgiven. The guidance will cover additional issues, including calculations.
- Secretary Mnuchin said publicly that the payroll tax deferral will be optional – it's important for the guidance to confirm that.
- Employers would need to consider what to do if an employee leaves between September 1st and December 31st, and the tax obligation is not forgiven.
- It's unclear how the presidential memorandum interacts with relevant state laws.

The key message right now is **to wait for guidance before making any decisions**. If your employees raise questions, it's best to say that the memorandum is under review and the firm must wait to make decisions until guidance has been issued.

Our ACEC National office will circulate the guidance as soon as it's available. If you have questions, you can email Brad Diede (bdiede@acec-ca.org) and he will work to help get answers from our National office for ACEC California members.

Construction Trends

In the wake of the COVID-19 pandemic, our ACEC National Office is studying construction trends for our industry. [Click Here](#) to see slides on the subject. They illustrate the condition today compared to the past. ACEC National is working to develop projections for the future but may have to wait until after the November elections for better information. For more information, check out our ACEC National website [Private Industry Briefs](#). We will provide updates to ACEC California membership as more information is developed.

Thank you for your continued support of ACEC California! We could not provide this service and our many other benefits without your membership!