## Overview

### Emergency Paid Sick Leave Act (Tax Credit)
- Employees are eligible for paid sick leave if they are unable to work from April 1 to December 31, 2020
  - Employers will receive a tax credit for emergency paid sick leave in the amount of the total sick gross pay + employer Medicare portion of sick pay + employer health insurance cost for employees on sick leave
  - Sick pay is exempt from Social Security employer tax

### Emergency Paid Child Care (FMLA) (Tax Credit)
- Employees are eligible for paid leave if they are unable to work in order to take care of a child under the age of 18
  - Child care gross pay + employer Medicare portion of child care + employer health insurance cost for employees on child care leave can be taken as a tax credit
  - Child Care Pay is exempt from Social Security Employer tax

### Employee Retention Credit (Tax Credit)
- Designed to encourage eligible employers to keep employees on their payroll despite economic hardship
  - Eligible employers can receive a 50% payroll credit which applies to wages paid after March 12, 2020, through December 31, 2020
  - Tax credit equals 50% of gross pay + employer health insurance cost

### Social Security Employer Tax Deferral (Tax Deferral)
- Social Security employer tax payment to the IRS can be deferred to two equal installments due 12/31/2021 and 12/31/2022

### SBA Loan (Small Business Loan for employers with 500 or less employees)
- A provision for small businesses to apply for a forgivable loan through banks or other lending institutions to finance their payroll and other expenses
  - A portion (or all) of the loan will be forgiven if 75% is used to cover payroll, the remainder is used for mortgage, rent, etc., and qualifying payroll levels are maintained

## Limits

### Emergency Paid Sick Leave Act (Tax Credit)
- Max of 80 hours pay
- Sick pay for self-care is paid at regular pay with a daily limit of $511 and an annual limit of $5,110
- Sick pay for care of others is paid at 2/3 of regular pay with a daily limit of $2,000 and an annual limit of $2,000
- 4/1/20 – 12/31/20

### Emergency Paid Child Care (FMLA) (Tax Credit)
- Paid at 2/3 of regular pay with a daily limit of $200 and an annual limit of $10,000
- 4/1/20 – 12/31/20

### Employee Retention Credit (Tax Credit)
- Limit of $5,000 tax credit per employee

### Social Security Employer Tax Deferral (Tax Deferral)
- N/A

### SBA Loan (Small Business Loan for employers with 500 or less employees)
- Up to 2.5 times average monthly payroll + EIDL – any loan advances received

## Eligibility

### Emergency Paid Sick Leave Act (Tax Credit)
- All employees are eligible, no matter how long they have worked for an employer
- Emergency paid sick leave and tax credits apply to employers with under 500 employees

### Emergency Paid Child Care (FMLA) (Tax Credit)
- Employees who have been employed for at least 30 calendar days are eligible, regardless of the number of hours worked
- Emergency paid child care leave and tax credits apply to employers with under 500 employees

### Employee Retention Credit (Tax Credit)
- Employers are not eligible for this if they took the SBA Loan
  - Employers with < or = 100 employees are eligible for the credit on all employee wages
  - Employers with >100 employees are eligible for the credit on wages paid for employees who aren’t working due to COVID-19

### Social Security Employer Tax Deferral (Tax Deferral)
- Due to PPPFA, even if they took the PPP loan, they are still eligible for this deferral.

### SBA Loan (Small Business Loan for employers with 500 or less employees)
- Due to PPPFA, even if they took the PPP loan, they are still eligible for this deferral.
- Determining eligibility and applying for loans is out of Viventium’s scope; consult your lending institution.

## Resources

### More info:
- IRS FAQ
- Families First Coronavirus Response Act FAQ #1
- Families First Coronavirus Response Act FAQ #2
- SBA Loan Fact Sheet
- U.S. Small Business Administration
- Complete SSER Tax Deferral Request & access Relief from Penalty for Failure to Deposit Employment Taxes

Updated as of 06/25/20