

Sick Leave Requirement

- Beginning 4/2/2020
- 80 hrs (two weeks) of sick leave for full-time employees available for immediate use because he/she:
 - Is sick or quarantined (paid at 100% of employer rate and capped at \$511/day and \$5,110/total)
 - Caring for someone who is sick or quarantined and caring for a child or lost childcare (paid at 66.7% of employee rate and capped at \$200/day and \$2,000/total)
- Up to 12 weeks of expanded FMLA leave, unpaid during the first 10 days, and then paid at 66.7% of the employee rate (capped at \$200/day and \$10,000/total) and available to anyone after 30 days of employment

Sick Leave Requirement Resources

- The bill provides employer tax credits to help cover the cost of the employee leave benefits.
- Computed Quarterly
- For purposes of computing the amount of the credit, there are two relevant periods:
 - **First Two Weeks:** This credit relates to qualified sick leave wages paid. The credit amount depends on whether the employee is sick, caring for a sick family member, or providing childcare to the employee's child:
 - **Employee Sick:** The credit is the lesser of the daily wage or \$511/employee, per day, for 10 days.
 - **Providing Care to Family Member/Childcare to Child:** The credit is the lesser of the daily wage or \$200/employee, per day, for 10 days.
 - **Next 10 Weeks:** This credit relates to qualified family leave wages paid. The credit is the lesser of the daily wage or \$200/employee, per day, with the credit capped at \$10,000/employee for a given calendar quarter.

Delay Employer Payroll Taxes

- The bill allows employers and self-employed individuals to defer payment of their share of the 6.2% Social Security tax they otherwise pay from 3/27/2020 through 12/31/2020.
- Those deferred taxes would be repaid over the next two years, with half required by 12/31/2021 and the other half by 12/31/2022.

Small Business Administration Resources

- Small Business Loan Relief. SBA will pay all principal, interest, and fees on all pre-existing SBA 7(a) loan products for six months to provide economic relief.
- Paycheck Protection Program (PPP)
- Economic Injury Disaster Loans (EIDL)
- *Note: A small business may receive both PPP and EIDL loans, however, the funds must be used for different purposes.*



SBA: Payroll Protection Plan

- The program is designed for small businesses to preserve employees' salaries.
- Up to \$10 million; payable over 10 years; 4% || 8 weeks forgivable
- Loans could equal up to 250% of average monthly total payroll costs incurred during the year prior to the loan date.
 - Payroll costs exclude any compensation made in excess of \$100,000 for any employee, sole proprietor, independent contractor, and self-employed individual.
- The PPP loan can function much like a grant given that it can be fully or partially forgivable. (8 weeks)
- Eligibility: Employers with fewer than 500 employees or meet the the NAIC designation, including 501(c)(3), sole proprietors, independent contractors
- Apply -

Small Business Loans: Emergency

- The loans are designed to provide economic relief due to an emergency or catastrophe. They can be used to pay fixed debts, payroll, accounts payable and/or other bills that can't be paid due to the epidemic's economic impact.
- Up to 2 million; payable over 30 years; 3.75% or 2.75%
- \$10,000 Advance, does not have to be repaid
- Eligibility: Small business defined by NAIC Industry Code based on revenue and/or employees; Non-profits [including (c)(6)] of any size
- Apply – [SBA.gov](https://www.sba.gov)

Employee Retention Credit

- A refundable payroll tax credit for 50 percent of wages paid by employers to employees during the COVID-19 crisis. The credit is available to employers whose:
 - Operations were fully or partially suspended, due to a COVID-19- related shut-down order, or
 - Whose gross receipts declined by more than 50 percent when compared to the same quarter in the prior year.
- **Employers taking certain SBA loans (e.g., the paycheck protection loan) cannot use this provision.**



Net Operating Loss

- Allows businesses to carry back losses from 2018, 2019, and 2020 to the previous 5 years, which will allow businesses access to immediate tax refunds.

