



DOLINKA, VANNOORD & COMPANY

A PROFESSIONAL LIMITED LIABILITY PARTNERSHIP

C e r t i f i e d P u b l i c A c c o u n t a n t s

March 25, 2020

FAMILY FIRST CORONAVIRUS RESPONSE ACT

To help clarify a bit more of the details, here is a guide to understanding the basics of FFCRA.

Expanded Medical Leave Pay

1. Up to 80 hrs. of pay for ALL full time employees up to \$511 per day, and two weeks of part time pay for ALL part time employees up to \$200 per day of what is normally paid to the worker who can't work due to:
 - a. Quarantined due to State Government Order
 - b. Advice of health care provider
 - c. Experiencing COVID-19 symptoms and is seeking a medical diagnosis.
2. Same as #1 except reduced to two-thirds for workers who can't work due to:
 - a. Bona fide need to care for an individual subject to quarantine for reasons noted in 1 a-c above)
 - b. Care of a child (under 18) whose school or child care provider is closed.
3. For employees who have been employed for at least 30 days, (don't know if that's work days or calendar days yet) and are unable to work for the reason noted in 2.b. above, they receive an additional 10 weeks of the pay calculated in 2. (Total of 12)

Employers Required to Comply

1. Less than 500 employees.
2. Small business (under 50 employees) might qualify for exemption from the requirement in 3.above if the requirements would jeopardize the viability of the business as a going concern. As of the date of this memo, there are no details on how to apply for relief.

Date This Begins **NEW**

1. As of the date of this memo, it is effective April 1. Any leave paid prior to April 1 does not count towards FFCRA payments.

Employer Tax Credits **NEW**

1. Employers will receive a refundable tax credit equal to 100 percent of the qualified paid sick leave wages paid by the employer for each calendar quarter.
2. **Credit is to be used to offset employer 941 deposits for Q2. Any excess will be refundable.**
3. **It is critical that you indicate what payments are FFCRA payments and what are not. That way the amount of the credit available to reduce 941 deposits is known.**

Self Employed Persons (not clear yet if this includes a partner in a partnership without a guaranteed payment)

1. Treated the same as an employee noted earlier and is realized as a credit.
2. Amount of the credit eligible is not yet determined but is capped as the same levels employees are.
3. The credit can be used to offset income tax and is refundable.