



COVID-19: payroll and employment tax considerations

April 20, 2020

Download the special report [here](#).
Download our state guide [here](#).



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Today's presenters



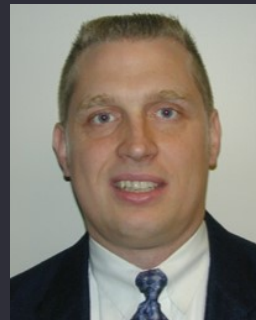
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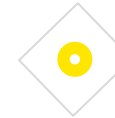
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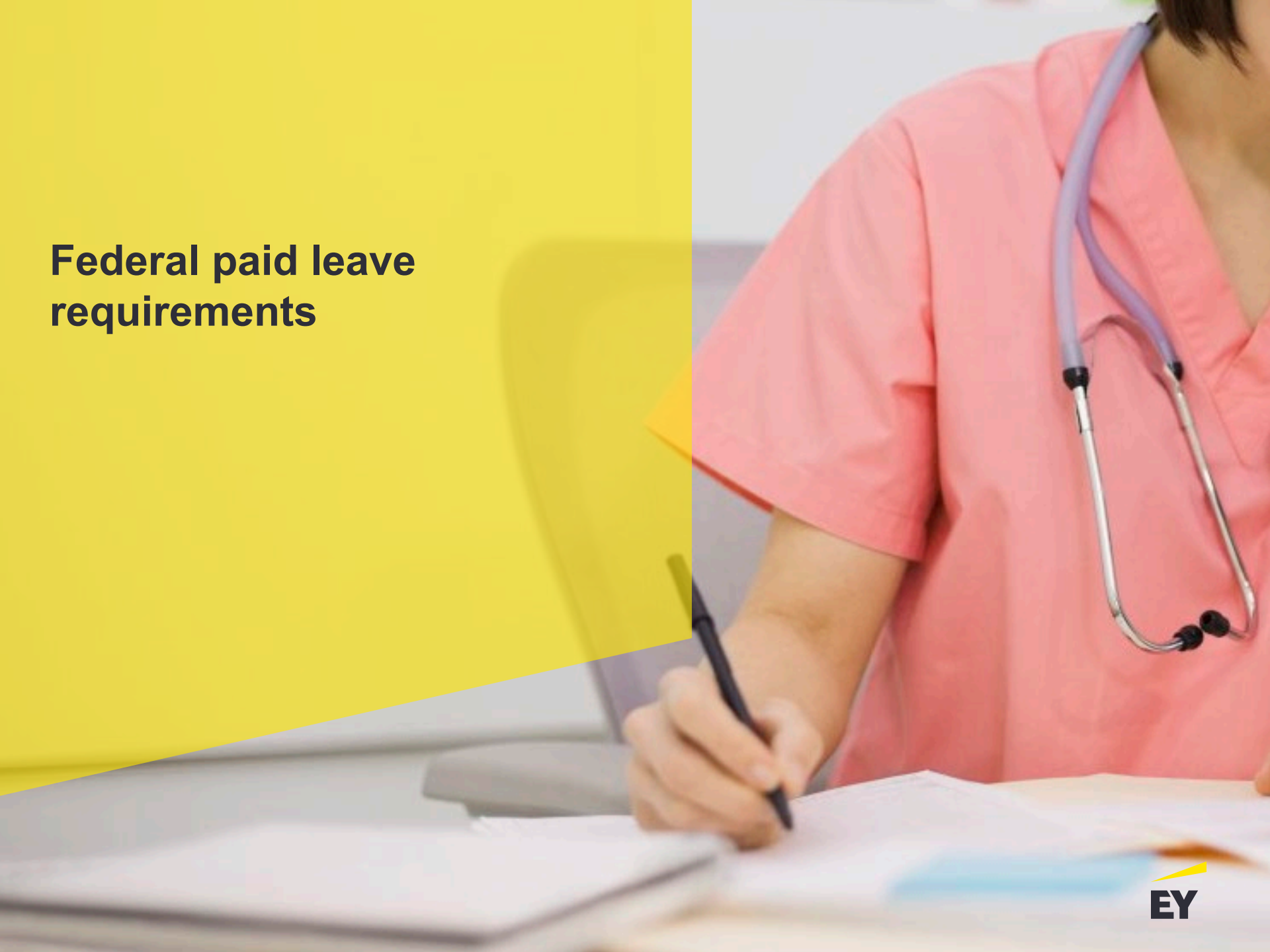
Today's agenda



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Federal paid leave requirements



Families First Coronavirus Response Act (FFCRA): federal paid leave requirements



Effective date

- ▶ April 1, 2020 through December 31, 2020



Enforcement

- ▶ The U.S. Department of Labor (DOL), Wage and Hour Division (WHD) administers and enforces the FFCRA paid leave requirements

DOL resources

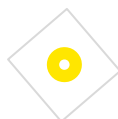
[Fact Sheet for Employees](#)

[Frequently Asked Questions](#)

[Fact Sheet for Employers](#)

[Field Assistance Bulletin](#)

[Required Workplace Poster](#)



FFCRA paid leave: covered employers



- ▶ The paid sick leave and expanded family and medical leave provisions apply to certain public (governmental) employers, tax-exempt organizations and private employers with fewer than 500 employees (exceptions apply to federal employees)
- ▶ Small businesses with fewer than 50 employees may qualify for exemption from the requirement to provide leave due to school closings or child care unavailability if the leave requirements would jeopardize the viability of the business as a going concern. (*DOL will issue FFCRA regulations later in April 2020*)
- ▶ For more information about how employers determine if they are covered, see the DOL's [frequently asked questions](#).



FFCRA paid leave: employee notice requirements



- ▶ All covered employers are required to post a [notice](#) of FFCRA paid leave requirements in a conspicuous place on its premises



FFCRA paid leave: employee protections and enforcement

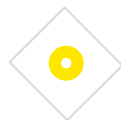


- ▶ Employers are prohibited from discharging, disciplining or otherwise discriminating against any employee who takes paid sick leave under the FFCRA and/or who files a complaint or institutes a proceeding under or related to the FFCRA's paid leave requirements
- ▶ The DOL will observe a temporary period of non-enforcement for the first 30 days after the Act takes effect, so long as the employer has acted reasonably and in good faith to comply with the law
- ▶ “Good faith” exists when violations are corrected and the employee is made whole as soon as practicable by the employer, the violations were not willful, and the DOL receives a written commitment from the employer to comply with the law in the future



FFCRA: paid leave requirements

	▼ Reason for leave	▼ Duration of leave	▼ Calculation of leave pay
1	Subject to federal, state or local quarantine or isolation related to COVID-19	Full-time employee is eligible for up to 80 hours of leave, and a part-time employee is eligible for the number of hours of leave that the employee works on average over a two-week period	Employees taking leave must be paid at either their regular rate or the applicable minimum wage, whichever is higher, up to \$511 per day and \$5,110 in the aggregate (over a two-week period)
2	Advised by health care provider to self-quarantine related to COVID-19	Full-time employee is eligible for up to 80 hours of leave, and a part-time employee is eligible for the number of hours of leave that the employee works on average over a two-week period	Employees taking leave must be paid at either their regular rate or the applicable minimum wage, whichever is higher, up to \$511 per day and \$5,110 in the aggregate (over a two-week period)
3	Is experiencing COVID-19 symptoms and is seeking a medical diagnosis	Full-time employee is eligible for up to 80 hours of leave, and a part-time employee is eligible for the number of hours of leave that the employee works on average over a two-week period	Employees taking leave must be paid at either their regular rate or the applicable minimum wage, whichever is higher, up to \$511 per day and \$5,110 in the aggregate (over a two-week period)
4	Is caring for an individual subject to an order described in (1) above or self-quarantine	Full-time employee is eligible for up to 80 hours of leave, and a part-time employee is eligible for the number of hours of leave that the employee works on average over a two-week period	Employees taking leave must be paid 2/3 their regular rate or 2/3 the applicable minimum wage, whichever is higher, up to \$200 per day and \$2,000 in the aggregate (over a two-week period)



FFCRA: paid leave requirements

	▼ Reason for leave	▼ Duration of leave	▼ Calculation of leave pay
5	Is caring for a child whose school or place of work is closed (or child care provider is unavailable) related to COVID-19	A full-time employee is eligible for up to 12 weeks of leave at 40 hours a week, and a part-time employee is eligible for up to 12 weeks of leave at the number of hours that the employee is normally scheduled to work over that period	Employees taking leave must be paid 2/3 their regular rate or 2/3 the applicable minimum wage, whichever is higher, up to \$200 per day and \$12,000 in the aggregate (over a 12-week period—two weeks of paid sick leave followed by up to 10 weeks of paid expanded family and medical leave). Note that an employee may elect to substitute any accrued vacation leave, personal leave, or medical or sick leave for the first two weeks of partial paid leave
6	Is experiencing any other substantially similar condition specified by the Secretary of Health and Human Services, in consultation with the Secretaries of Labor and Treasury	Full-time employee is eligible for up to 80 hours of leave, and a part-time employee is eligible for the number of hours of leave that the employee works on average over a two-week period	Employees taking leave must be paid 2/3 their regular rate or 2/3 the applicable minimum wage, whichever is higher, up to \$200 per day and \$2,000 in the aggregate (over a two-week period)

Notes:

- See U.S. Department of Labor [Fact Sheet for Employers](#)
- The requirements generally apply to employers with fewer than 500 employees.
- Paid sick time under FFCRA does not carry over from one year to the next and employees are not entitled to reimbursement for unused leave upon termination, resignation, retirement, or other separation from employment.
- An employee qualifies for expanded family leave if the employee is caring for a child whose school or place of care is closed (or child care provider is unavailable) for reasons related to COVID-19.
- Some states (e.g., [Colorado](#) and [New York](#)) and localities are imposing their own COVID-19 paid leave requirements. You must comply with the law that is more favorable to the employee.
- Consult with your labor law attorney for more information.



Student loan garnishments



Student loan garnishments halted for 60 days



Effective date

- ▶ March 13, 2020 and for at least 60 days



Enforcement

- ▶ The U.S. Department of Education

Resources

[Notice U.S. Department of Education](#)

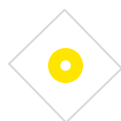
studentaid.gov/coronavirus



Student loan garnishments halted for 60 days



- ▶ U.S. Secretary of Education Betsy DeVos [announced](#) that due to the COVID-19 national emergency, the Department will cease collection actions, including wage garnishments, effective March 13, 2020, and for at least 60 days.
- ▶ The U.S. Department of Education will monitor employers' compliance with the request to stop wage garnishment.
- ▶ Borrowers whose wages continue to be garnished after March 13, 2020, are instructed to contact their employers' human resources department.
- ▶ The U.S. Department of Education, office of Federal Student Aid also announced that student loan borrowers can stop making their monthly payments, if they so choose, through September 30, 2020.



Polling question

What is the approximate size of your organization's workforce?

- a. Fewer than 100 employees
- b. Fewer than 500 employees
- c. 500 – 5,000 employees
- d. Over 5,000 employees
- e. Not applicable (EY, faculty, other)

Deferral of Social Security tax



Deferral of employer's share of Social Security tax



Effective date

- ▶ Taxes incurred March 27, 2020 through December 31, 2020



Enforcement

- ▶ Internal Revenue Service

Resource

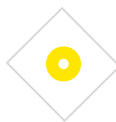
[IRS frequently asked questions on deferral of employment taxes](#)



Deferral of employer's share of Social Security tax

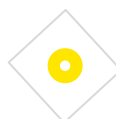


- ▶ All employers are eligible for this deferral option except:
 - ▶ If the employer received a loan under the Coronavirus Aid, Relief, and Economic Security (CARES) Act [Paycheck Protection Program](#) (PPP); a deferral of the employer's share of Social Security tax is not allowed for amounts otherwise due after the date the PPP loan was forgiven
- ▶ Taking the FFCRA paid leave or the CARES Act employee retention credit does not disqualify an employer from this deferral option
- ▶ No special election is required
- ▶ The deferral option applies to the employer-portion of Social Security tax (6.2% of wages up to \$137,700 for 2020) under IRC Section 3111(a) and for employers covered by the Railroad Retirement Tax Act (RTTA), the taxes imposed under IRC Section 3221(a) as are attributable to the rate in effect under IRC Section 3111(a) (collectively referred to as the "employer's share of Social Security tax")



Deferral of employer's share of Social Security tax, *continued*

- ▶ To be treated as timely paid, and to avoid the failure to deposit penalty, the employer's share of Social Security tax must be repaid and deposited by the following dates:
 - ▶ By December 31, 2021, 50% of the deferred amount
 - ▶ By December 31, 2022, the remaining amount
- ▶ Although this deferral option applies to payments of the employer's share of Social Security tax that would otherwise be required to be made during the period beginning on March 27, 2020, and ending December 31, 2020, the Form 941, *Employer's QUARTERLY Federal Tax Return*, will not be revised to reflect the deferral option (or the FFCRA paid leave and CARES Act employee retention credits) until the second quarter covering the period April 1 to June 30, 2020



Polling question

Have you already begun reducing your Form 941 deposits in anticipation of refundable tax credits?

- a. Yes
- b. No
- c. Don't know
- d. Not applicable (EY, faculty, other)

Refundable tax credits



FFCRA paid leave tax credits



Effective date

- ▶ Qualified wages paid from April 1, 2020 to December 31, 2020

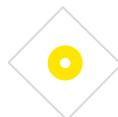


Enforcement

- ▶ Internal Revenue Service

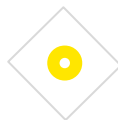
Resource

[IRS frequently asked questions on COVID-19-related Tax Credits for required paid leave](#)



FFCRA paid leave tax credits: overview

Eligible employer	Qualified amounts eligible for the credit	Limitations	Calculation of the credit
Private sector and tax-exempt organizations (but not governmental employers) with 500 or fewer employees that complied with the FFCRA paid leave requirements	<p>Add together all of the following to determine the qualified amount:</p> <ul style="list-style-type: none"> Wages required to be paid under the FFCRA The employer portion of Medicare tax at 1.45% (does not apply to employers covered by the RRTA) The cost of maintaining health insurance for eligible employees during the leave period 	<ul style="list-style-type: none"> Employer may not claim the credits on the wages used to compute the credit under the CARES Act employee retention tax credit Employers claiming this credit still qualify for a loan under the Paycheck Protection Program and can defer payment of the employer portion of Social Security tax 	<p>Claim 100% of the qualified amount eligible for the paid leave credits against:</p> <ul style="list-style-type: none"> The employer portion of Social Security taxes (at 6.2%) under IRC Section 3111(a) The portion of RRTA taxes imposed under IRC Section 3221(a) that corresponds to the employer portion of Social Security taxes (at 6.2%) under IRC Section 3111(a)



CARES Act employee retention tax credit



Effective date

- ▶ Qualified wages paid from March 13, 2020 to December 31, 2020

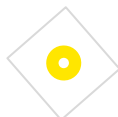


Enforcement

- ▶ Internal Revenue Service

Resource

[IRS frequently asked questions on the CARES Act employee retention tax credit](#)



Eligible employer and credit computation



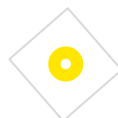
Eligible employer

- ▶ Employers that carried on a trade or business during 2020 and
 - ▶ Suspended operations fully or partially as a result of a COVID-19-related governmental order
- OR
- ▶ Experienced at least a 50% year over year decline in calendar quarter gross receipts.
- ▶ Tax-exempt organizations are eligible



Calculation of the credit

- ▶ Refundable credit equal to 50% of qualified wages paid or incurred including certain health plan expenses
- ▶ Maximum credit of \$5,000/employee (50% of maximum \$10,000 qualified wages)
- ▶ Note the Form 941 will not be revised with the fields necessary to claim this credit until the second quarter, 2020



Qualified wages and exclusions



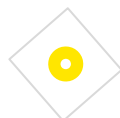
Qualified wages

- ▶ For eligible employers that had an average number of full-time employees in 2019 greater than 100
 - ▶ Wages paid to employees with respect to which an employee is not providing services
- ▶ For eligible employers that had an average number of full-time employees in 2019 of 100 or fewer
 - ▶ Wages paid to employees with respect to an employee (regardless of whether employee provides services)



Exclusions/limitations

- ▶ An employer receiving a loan under the [Paycheck Protection Program](#) is not eligible for the credit
- ▶ Qualified employee wages may not exceed the amount the employee would have been paid for working an equivalent duration during the previous 30-day period
- ▶ The credit is not allowed for any employee for any period in which the Work Opportunity Tax Credit (WOTC) is claimed on such employee
- ▶ Wages used for this credit may not be used for the paid leave credits under IRC Section 45S or the FFCRA paid leave credits



Phase 1 implementation: Loans under the Paycheck Protection Program

1

Did you take a loan under the Paycheck Protection Program?

→
Yes

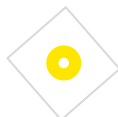
You are not eligible for the CARES Act employee retention credit, but you could be eligible for the FFCRA paid leave credits if you have fewer than 500 employees

If you opted to defer payment of the employer portion of Social Security tax, a deferral of the employer's share of Social Security tax is not allowed for amounts otherwise due after the date the loan was forgiven

→
No

You may claim both the FFCRA paid leave credits and the CARES Act employee retention credit, but not on the same wages

You can opt to defer payment of the employer portion of Social Security tax



Phase 2 implementation: Option to defer employer portion of Social Security tax

2

Did you opt to defer the employer portion of Social Security tax under the CARES Act?

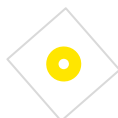
→
Yes

If you take a loan under the Paycheck Protection Program, you must stop the deferrals effective with the date after which the loan is forgiven

You may claim both the FFCRA paid leave credits and the CARES Act employee retention credit, but not on the same wages

→
No

You may claim both the FFCRA paid leave credits and the CARES Act employee retention credit, but not on the same wages



Claiming the FFCRA paid leave and employee retention tax credits



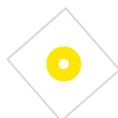
Advance payment request, Form 7200

- ▶ An advance payment request can be made by filing [Form 7200](#)
- ▶ The employer can file the form for advance credits anticipated for a quarter at any time before the end of the month following the quarter in which it paid the qualified wages. If necessary, the employer can file Form 7200 several times during each quarter
- ▶ Employers are instructed that they should not file Form 7200 after they file Form 941 for the fourth quarter of 2020, or the annual Forms 943, 944, or CT-1 for 2020. Additionally, employers should not file Form 7200 to request advance credits for any anticipated credit for which they already reduced their federal employment tax deposits



Reduce the federal employment tax deposit

- ▶ In [Notice 2020-22](#) the IRS provides penalty relief under IRC Section 6656 for employers that opt to reduce their federal employment tax deposits rather than claim an advance payment request on Form 7200
- ▶ The employer must have paid qualified retention wages to its employees in the quarter prior to the time of the required deposit
- ▶ The deposit reduction should not exceed the amount of the anticipated employee retention credit
- ▶ The employer should not have sought advance payment on Form 7200



Polling question

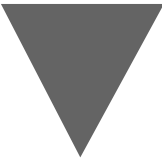
Have you already begun reducing your Form 941 deposits pursuant to the deferral of the employer's portion of Social Security tax?

- a. Yes
- b. No
- c. Don't know
- d. Not applicable (EY, faculty, other)

Employee benefits



Why provide disaster relief to employees?



Provides employees affected by COVID-19 with immediate tax-free cash for qualified disaster-related expenses under IRC Section 139 with no requirement for gathering receipts to substantiate expenses or losses. There are no Form W-2 or Form 1099 reporting requirements. ([Revenue Ruling 2003-29](#))

1

Applies only to employees affected by COVID-19

2

Applies only to those expenses and losses specified in IRC Section 139

3

Not available for expenses or losses already covered by insurance, FEMA or charities; thus, signed employee statements are recommended

4

May be paid directly to employees or to third parties on behalf of employees



Qualified expenses are those connected with COVID-19 and include:

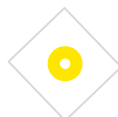
Reasonable and necessary:

Personal, family and living expenses

Funeral expenses

Temporary housing and transportation expenses

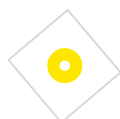
Child care costs due to COVID-19-related school closings



Computers and equipment for employee home offices



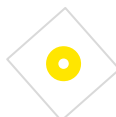
- ▶ Under the Tax Cuts and Jobs Act (TCJA), computers and related equipment provided to employees for use in their home offices were put on the same footing as cell phone usage, in particular, the heightened substantiation requirements applicable to listed property no longer apply
- ▶ Accordingly, the IRS guidance issued pursuant to cell phone usage in IRS [Notice 2011-72](#) now applies to computer equipment provided to teleworkers
 - ▶ The IRS will treat the employee's use of employer-provided computers and equipment for reasons related to the employer's trade or business as a working condition fringe benefit, the value of which is excludable from the taxable wages subject to federal income tax, federal income tax withholding, Social Security/Medicare and federal unemployment insurance provided the equipment is used primarily for noncompensatory business reasons
- ▶ The employer's policy should require limited personal use and that the equipment must be returned when no longer used in providing services to the employer



Employer payment of employee student loans



- ▶ Under the CARES Act, and effective with payments made on and after March 27, 2020, and before January 1, 2021, IRC Section 127 is revised to include in the \$5,250 annual limit an employer's payment of the principal or interest on employee's student loans
- ▶ There seems to some momentum in Congress to make this provision permanent



CARES Act- Other benefit provisions



- ▶ The CARES Act made other changes affecting fringe benefits in the following areas:
 - ▶ Retirement plan distributions and funding
 - ▶ Group health plans
 - ▶ Executive compensation
 - ▶ Extension of deadlines for employee benefit plans
 - ▶ For more information see our [tax alert](#)



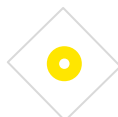
Unemployment insurance benefits



Expansion of unemployment insurance benefits for COVID-19



- ▶ To provide financial relief to employees who are partially or totally unemployed due to COVID-19, the states were given federal incentives to bring flexibility to their unemployment insurance (UI) programs and extend UI benefits to persons not eligible for regular benefits
- ▶ Unlike the Disaster Unemployment Assistance (DUA) program, that is automatically triggered in the event of a major disaster, and is uniformly administered across all states and territories, the states must sign letters of agreement with the U.S. Department of Labor
- ▶ The result is that expanded benefits for COVID-19 will be available at differing times and under different rules, depending on the jurisdiction



Expansion of unemployment insurance benefits for COVID-19

Flexibility in UI programs

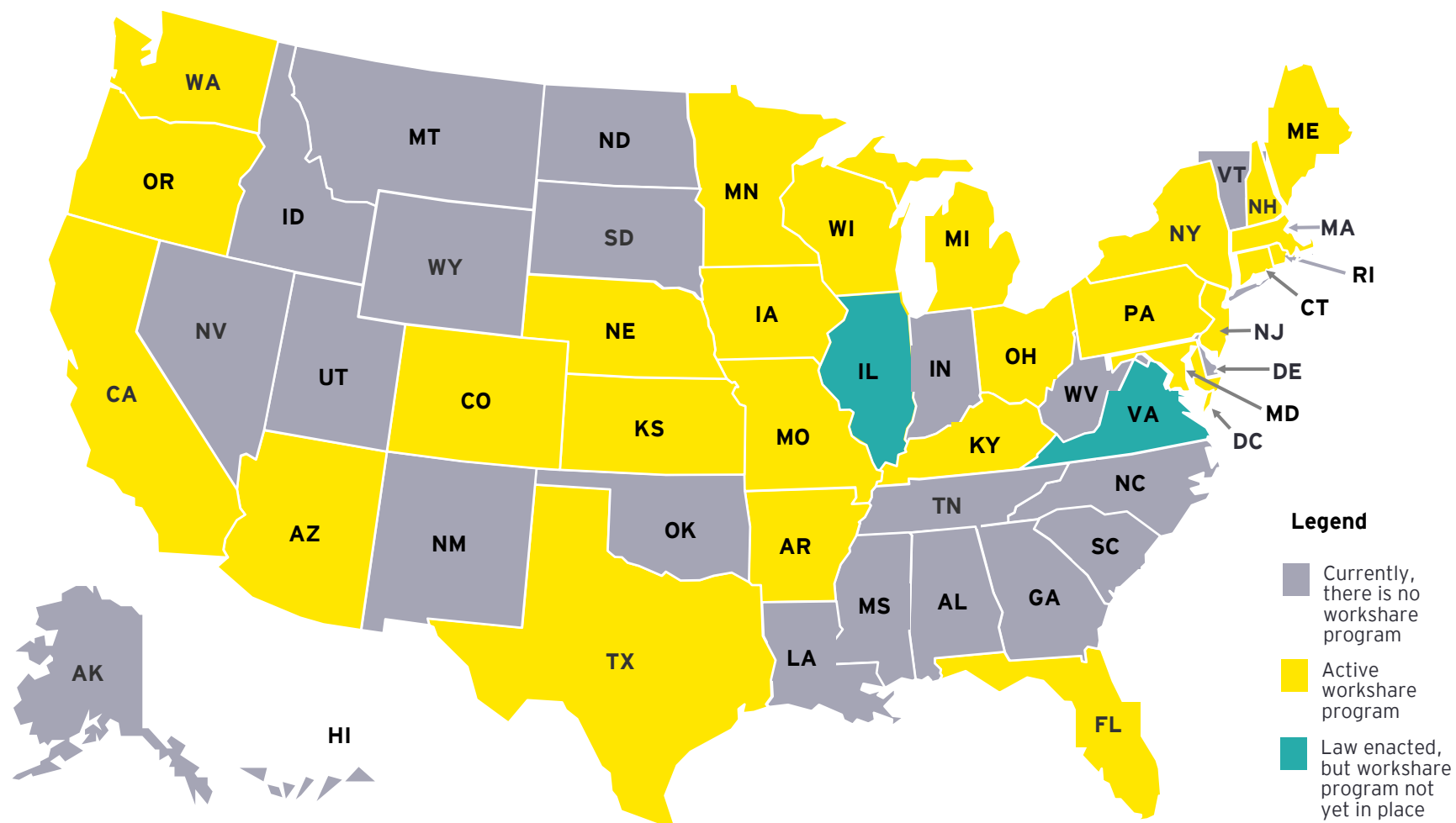
- ▶ UI benefits related to COVID-19 are not charged to contributory employers' accounts (employers are not financially impacted)
- ▶ The work search requirement is waived
- ▶ The waiting week to receive UI benefits is waived
- ▶ Applications for UI benefits and assistance with the application process must be available at least two of three ways—in person, by phone, online
- ▶ Employers must be required to provide notice of the availability of UI benefits to employees at time of separation of employment

Expanded benefits under the CARES Act

- ▶ Additional 13 weeks of UI benefits beyond what states normally provide
- ▶ Extend coverage to individuals self-employed, seeking part-time employment, or who would otherwise not be eligible for UI benefits
- ▶ An additional UI benefit of \$600 per week for individuals collecting regular UI benefits
- ▶ Additional financial incentives to states to reimburse for costs of short-term compensation (work share) programs, or to pay incentives for states to set one up if it does not exist
- ▶ Partial reimbursement to governmental and tax-exempt organizations (reimbursing employers)

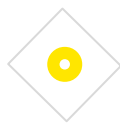


with workshare programs as of April 20, 2020



COVID-19 UI benefits: employer considerations

- ▶ Employers should review their UI claims closely to confirm that COVID-19 benefits were not erroneously charged to their accounts
- ▶ Some states (e.g., Georgia) require that employers file a mass UI benefit claim on behalf of their employees who will be claiming UI benefits in connection with COVID-19. Under a mass claim process, the employer, rather than the employee, files for the UI benefits
- ▶ Employers should consider the work share option, where available, because it allows them to retain valuable employees during a period of temporary unemployment due to COVID-19
 - ▶ Under a workshare program, employees are paid wages from the employer for a portion of their wages and the state pays UI benefits for a portion of the lost wages
- ▶ Unemployment insurance claims are being filed at a historic rate. Employers should be certain that, despite the volume, they are timely responding to claim notices and reviewing them for accuracy



Polling question

Do you foresee needing the advice of a tax advisor in implementing the tax credits or Social Security deferral options?

- a. Yes
- b. No
- c. Don't know
- d. Not applicable (EY, faculty, other)

Teleworker taxing considerations



Telework taxing considerations: state and local income tax and withholding

States with the convenience of the employer rule

Connecticut
(Public Act 18-49,
Section 20(2)(C))

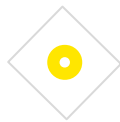
Delaware
(2017 Delaware
Schedule W)

Nebraska
(Neb. Admin. R. &
Regs. Section 003.01C)

New York
(Technical
Memorandum TSB-M-
06(5)I)

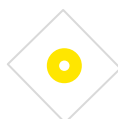
Pennsylvania
(61 Pa. Code Section
109.8)

- ▶ State and local resident income tax withholding generally applies to all wages, regardless of where they were earned
 - ▶ **Exception:** If the employer has no business operations in the state sufficient to establish nexus, income tax withholding is not required. An employee home office could trigger nexus. Once nexus is established, other business taxes may apply (e.g., corporate and sales & use tax)
- ▶ State and local nonresident income tax withholding generally applies only to those wages that were earned for services within the state
 - ▶ **Exception:** In states with the convenience of the employer rule (see chart to the left), nonresident income tax is due on all wages if the employee is working outside of the state for the employee's own convenience. It is rare that states like New York consider that a nonresident is working out of state for the convenience of the employer.



Sample of jurisdictions with nexus waiver for COVID-19 telework

Indiana	<p>The Indiana Department of Revenue announced that under certain circumstances in connection with COVID-19, it will not assert nexus or that the protections of the federal Interstate Income Act of 1959 (P.L. 86-272) have been exceeded due to a temporary remote work assignment within the state.</p> <p>This relief applies only for the period that: (1) There is an official work from home order issued by an applicable federal, state or local government unit and (2) there is an order of a physician in connection with the COVID-19 outbreak or an actual diagnosis of COVID-19, plus 14 days to allow for return to normal work locations.</p> <p>The Department cautions that if the employee remains in Indiana after the temporary remote work requirement has ended, nexus may be established for that employer.</p>
New Jersey	<p>The New Jersey Division of Taxation announced on March 30, 2020 that during the period of the COVID-19 national emergency it will temporarily waive the impact of the legal threshold within N.J.S.A. 54:10A-2 and N.J.A.C. 18:7-1.9(a) that treats employee work from within New Jersey as sufficient nexus for out-of-state corporations.</p> <p>The announcement states that if employees are working from home solely as a result of closures due to COVID-19 and/or the employer's social distancing policy, no threshold will be considered to have been met.</p>



State filing and payment extensions



State extensions on returns, payments and deferral programs



- ▶ Many states and localities have extended both administrative and financial relief to businesses affected by COVID-19 by extending return filing and payment due dates or payment deferral options
- ▶ Businesses may consider paying particular attention to COVID-19 relief that provides cash flow during months when revenues are adversely impacted
- ▶ [Contact us](#) for our latest state and local extension tracker



Polling question

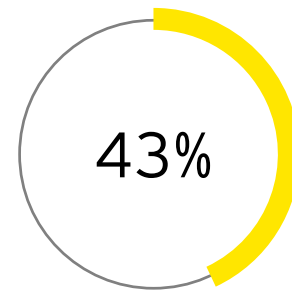
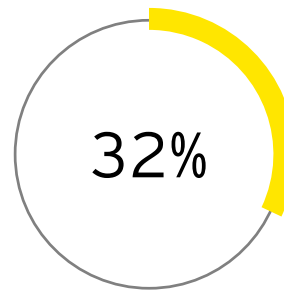
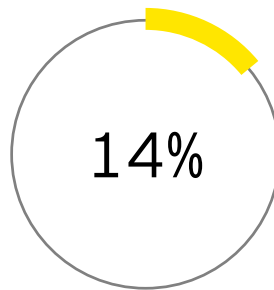
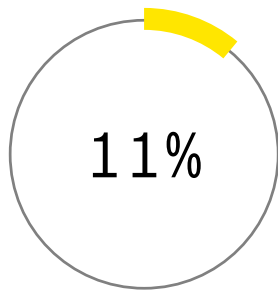
Are you a Certified Payroll Professional (CPP) or Fundamental Payroll Certification (FPC) professional through the American Payroll Association?

- a. Yes
- b. No

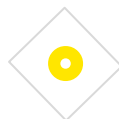
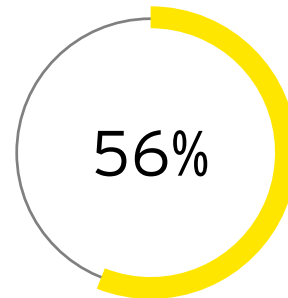
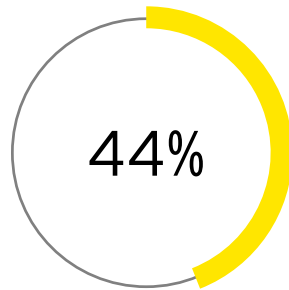
Webcast polling results



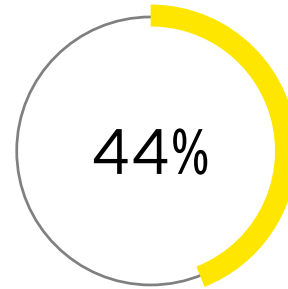
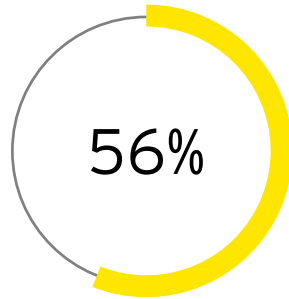
What is the approximate size of your organization's workforce?



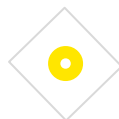
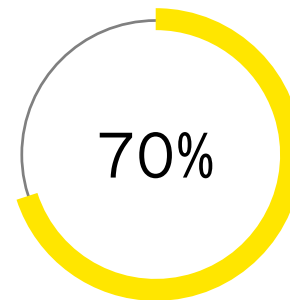
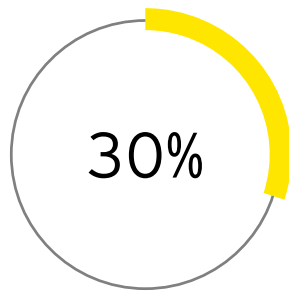
Have you already begun reducing your Form 941 deposits in anticipation of COVID-19 refundable tax credits?



Have you already begun reducing your Form 941 deposits pursuant to the deferral of the employer portion of Social Security tax?



Do you foresee needing the advice of a tax advisor to implement the COVID-19 refundable tax credits or the Social Security deferral option?



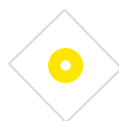
Summary



Responding to the COVID-19 workforce impact

Below are the significant factors employers may need to consider and correctly implement.

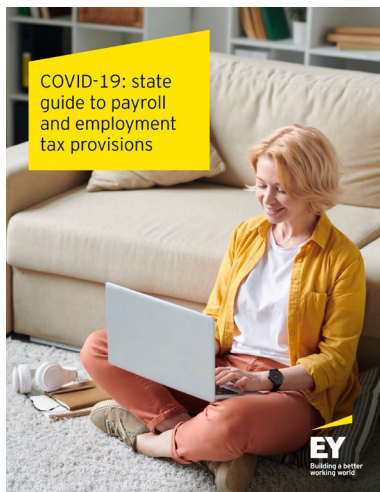
Federal and state paid leave requirements	Federal law mandates paid leave for employees impacted by COVID-19 under the Families First Coronavirus Response Act. Additionally some states (e.g., Colorado and New York) have also adopted COVID-19 leave provisions.
Employee work-from-home considerations	Telework arrangements raise numerous tax-related questions, including the income tax withholding and unemployment insurance rules that apply and the tax treatment of tools and equipment provided to work-from-home employees.
Employee disaster relief benefits	Employers are providing their affected employees with disaster assistance payments, additional day care, loans, advances and other disaster-related benefits. The federal, state and local tax treatment can vary depending on the facts.
State unemployment insurance management	State rules governing the charging of COVID-19-related unemployment insurance (UI) vary and there are various options available to avoid lay offs during temporary shutdown. UI cost-containment measures are vital to decreasing employer costs.
Social Security payment deferrals	The employer portion of Social Security tax (6.2% up to \$137,700) can be deferred with 50% of the amount paid by December 31, 2021, and the remainder by December 31, 2022. Form 941 reconciliation issues could occur resulting in subsequent IRS notices/audits.
Federal tax credits	For employers with fewer than 500 employees, two tax credits are available—the paid sick leave credit and the child care leave credit. For all employers regardless of size (excluding governmental entities), an employee retention tax credit applies for wages paid from March 13, 2020, up to December 31, 2020, by employers subject to COVID-19-related government shutdown order(s) or who experienced a significant decline in gross receipts.
Tax filing and payment extensions	Whether the issue is staffing shortages to meet deadlines, or deferring tax payments to assist with temporary cash flow issues, state provisions for delaying income tax withholding and UI tax returns and payments can be very helpful.
Paycheck Protection Program	Small business concerns as well as any business with fewer than 500 employees are eligible for loans that can be fully forgiven if the borrower keeps its employees on the payroll for eight weeks and the loan is used for payroll, rent, mortgage interest, or utilities. Expanded eligibility for certain businesses may apply (e.g., accommodation and food services sector)



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Read more details about state and local payroll and employment tax implications in our [state guide](#).









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