

## Small Business Tax Programs: Are You Eligible?

Small businesses are eligible for tax relief relating to the coronavirus (COVID-19) pandemic. Specifically, you may be eligible for the following:



### Employee Sick-and Family-Leave Reimbursement (Families First Coronavirus Response Act, FFCRA or FFA)

**What:** Up to 100% back for the cost of providing certain paid sick leave for each eligible employee in coronavirus quarantine or seeking coronavirus diagnosis, as well as the cost of providing certain paid leave to care for a quarantined family member or child whose school or child-care location has been closed due to the pandemic.

**Who:** Most employers are required to offer certain paid leave related to COVID-19. Businesses and tax-exempt organizations with fewer than 500 employees may receive full reimbursement for doing so. Businesses with fewer than 50 employees may be exempt.

**How:** By claiming the credit on your employment tax forms, with options to reduce your payroll tax deposits and/or request an advance payment of the credits using Form 7200.



### Employee Retention Credit (Coronavirus Aid, Relief and Economic Security Act, CARES)

**What:** Businesses and nonprofits that retain workers during the coronavirus health crisis can get a refundable payroll tax credit. Eligible employers can subtract from taxes owed, 50% of up to \$10,000 of qualified wages and qualified health plan expenses paid to each employee after March 12, 2020, for a tax credit of up to \$5,000 per employee.

**Who:** Almost any employer of any size that is fully or partially suspended by government order due to COVID-19 during the calendar quarter OR whose gross receipts are below 50% of the same quarter in 2019. Federal, State, and local governments and their instrumentalities or small businesses who take small business loans through the Paycheck Protection Program are NOT eligible.

**How:** By claiming the credit on your employment tax forms, with options to reduce your payroll tax deposits and/or request an advance payment of the credits using Form 7200.



### Employer Payroll Tax Deferral (Coronavirus Aid, Relief and Economic Security Act, CARES)

**What:** Through December 31, 2020, businesses can defer payment of the employer's share of certain employment taxes. Half of the deferred amounts must be paid by the end of 2021 and half must be paid by the end of 2022.

**Who:** All employers who owe payroll taxes.

**Where:** For most employers, this is reported on Form 941 (Employer's QUARTERLY Federal Tax Return).

**How:** By reporting the tax amount deferred on Forms 941, 943, 944, and CT-1.

