

## EMPLOYMENT RELATED PROVISIONS OF CARES ACT AND FAMILY FIRST CORONAVIRUS RESPONSE ACT

The following is a summary of the employment-related provisions of the CARES Act and the Family First Coronavirus Response Act.

Item	Description
<b>Employee Retention Credit</b>	<p>Eligible employers are entitled to a credit against their Social Security tax liability up to \$5,000 per employee for wages paid from March 27, 2020 to December 31, 2020. The credit is obtained by offsetting it against the employer's Social Security tax liability.</p> <p>The credit is available only for those employers whose operations have fully or partially been suspended in the calendar quarter as a result of orders from a governmental authority due to COVID-19, or employers who have experienced a significant reduction in gross receipts in a 2020 calendar quarter compared to the same quarter in 2019 (eligibility begins with the first calendar quarter in 2020 in which gross receipts are 50% less than the gross receipts in same calendar quarter in 2019 and ends with the 2020 calendar quarter in which the gross receipts are greater than 80% of the gross receipts in the same calendar quarter in 2019). See <a href="#">Chart</a> for more information.</p>
<b>Deferred Payment of Payroll Taxes</b>	<p>The provision allows employers and self-employed individuals to defer payment of the employer's share of the Social Security tax they otherwise are responsible for paying. Half of the amount is required to be paid by December 31, 2021 and the other half by December 31, 2022. This is applicable for employment tax payments due on or after March 27, 2020 through December 31, 2020. See <a href="#">Chart</a> for more information.</p>
<b>Loans from Qualified Retirement Plans</b>	<p>The loan limitation of \$50,000 is increased to \$100,000 and the limit restricting the loan amount to no more than 50% of the participant's vested accrued benefit is increased to 100% for loans made from March 27, 2020 to September 23, 2020. Any interest and principal repayments on existing plan loans due in 2020 are deferred for one year. See <a href="#">Chart</a> for more information.</p>
<b>Early Distributions from Qualified Retirement Plans and Individual Retirement Accounts</b>	<p>Individuals are permitted to take <i>coronavirus-related distributions</i> from qualified retirement plans and individual retirement account without incurring the 10% early distribution penalty. Such distribution is includible in the employee's gross income ratably over 2020, 2021 and 2022. The <i>coronavirus-related distribution</i> can also be repaid to the plan as a rollover contribution within three years of receiving the distribution. See <a href="#">Chart</a> for more information.</p>
<b>Sick Leave and Family Leave Payments</b>	<p>Employers with less than 500 employees are required to pay certain employees sick leave or emergency family leave wages where such work absences are due to COVID-19 beginning April 1, 2020. To pay for this sick leave and family leave, employers can offset their Social Security tax liability. Employers are not subject to Social Security tax on such qualified sick leave wages and qualified family leave wages paid during 2020. See <a href="#">Chart</a> for more information.</p>

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