

Subject:

Employees out with COVID? FFCRA Paid Sick & Family Leave Ends 9/30

Email:

Hello,

I'm writing with an update on paid sick leave (PSL) and paid family leave (PFL) provided by the Families First Coronavirus Response Act (FFCRA). Please let us know if you have any employees out on COVID-related leave as soon as possible. More information is below.

Important Update

A PSL or PFL check or payment cannot be made after 9/30/2021. Therefore, we need to know about any PSL or PFL payments on 9/29/2021 at the very latest, so we can issue a special check.

If we learn about a PSL payment after 10/1/2021, we will have to issue the payment as of 9/30/2021, which will require amending the third quarter 941 in order to get the tax credit, and the backdated check could incur late tax payment penalties and interest because the credit is only on the employer taxes, but the taxes withheld from the employee are still due.

Background

The Families First Coronavirus Response Act (FFCRA) was signed into law on 3/18/2020. FFCRA mandated PSL and PFL be provided by employers from 4/1/2020 through 12/31/2020. The American Rescue Plan (ARP), signed into law on 3/11/2021, extended the tax credits established by the FFCRA if employers chose to continue to voluntarily offer paid leave in qualifying circumstances through 9/30/2021.

Please contact our Payroll team at **210-293-6620**, toll-free at **1-888-757-2104**, or PayrollServices@BFGonline.com if you have any questions.

Thank you!

David