

# COVID-19 Payroll Tax Credit Assistance

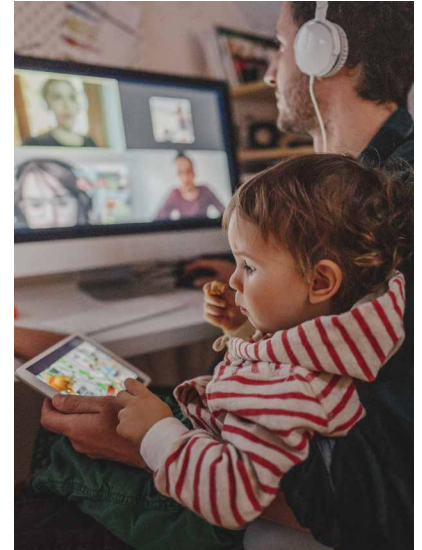
## LEVERAGE FFCRA AND ERC TAX CREDITS TO MAXIMIZE CASH FLOW AND POSITION YOUR COMPANY FOR THE UPTURN

From abrupt business closures to the new paid leave requirements, the impact of the Coronavirus pandemic on businesses has been unprecedented. Managing short- and long-term cash flow shortages have posed the most pressing challenges.

Let Aprio's payroll tax credit experts help you create a plan to leverage the tax credit opportunities created by the Families First Coronavirus Response Act (FFCRA) and the Coronavirus Aid Relief, and Economic Security (CARES) Act. Our team will work quickly to create a comprehensive strategy to help your business maximize these credits and claim them on your quarterly return.

### Aprio's payroll tax credit team can help you:

- Create an overall tax credit strategy to maximize short- and long-term cash flow
- Understand how to best leverage payroll tax credits with other Federal programs
- Provide tools and/or guidance on documenting and tracking qualifying employee wages
- Accurately calculate the credits
- Claim and assist in filing applicable credits, excluding Form 941 filing



### COVID-19 payroll tax credits at a glance

#### FFCRA Paid Sick and Family Leave Tax Credits

##### Who's eligible?

Eligible employers have fewer than 500 employees and are required by the FFCRA to pay qualified sick and family leave wages.

Exemption may exist if you have less than 50 employees.

##### Coverage period

Qualifying wages paid between April 1, 2020 through Dec. 31, 2020.

#### CARES Act Employee Retention Credit

##### Who's eligible?

Businesses that experienced a significant decline in gross receipts, or experienced fully or partially suspended operations due to COVID-19 during 2020. You cannot claim the credit if claiming a PPP loan.

##### Coverage period

Qualifying wages paid between March 13, 2020 through Dec. 31, 2020.

## FFCRA Paid Sick and Family Leave Tax Credits

### Value of the credit

Equal to 100% of wages paid out for qualified sick and family leave.

Excludes wages paid out by PPP loan or ERC credits.

Maximum credits are subject to the paid leave caps defined by the FFCRA:

- Up to \$5,110 for each employee who takes paid sick leave for a COVID-19 diagnosis or mandated quarantine.
- Up to \$2,000 for each employee who takes paid sick leave to care for a family member with COVID-19 or a child whose school has closed.
- Up to \$10,000 per employee for paid family and medical leave for child care reasons related to COVID-19.
- Total aggregate of \$12,000 if taking both paid sick leave and family leave.

## CARES Act Employee Retention Credit

### Value of the credit

For employers with more than 100 employees - equal to 50% of qualified wages for employees unable to work or provide services, including qualified health plan expenses.

For employers with less than 100 employees - equal to 50% of qualified wages for all employees whether they were working or not.

Excludes wages paid out for sick and family leave under the FFCRA.

Maximum credit of \$5,000 per employee.

## Work with a payroll tax leader

As a top 50 CPA-led advisory firm, Aprio has one of the fastest-growing tax credit practices of any privately-held firm in the southeastern U.S.

Aprio has more experience than any firm in the country with the payroll withholding aspect of R&D tax credits. This experience and our defined processes enable Aprio to help clients create a holistic strategy to fully leverage tax credits (including payroll tax credits) to navigate the adverse financial impacts of the Coronavirus pandemic.

During a crisis it is often hard to consider what's next. That is our specialty. If you would like to learn how Aprio can help you leverage tax credits to conserve cash, contact Carli Huband, Partner-in-Charge, Aprio R&D Tax Credit Services.

---

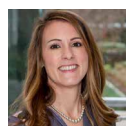
## About Aprio

Since 1952, clients throughout the U.S. and across more than 40 countries have trusted Aprio for guidance on how to achieve what's next. As a premier, CPA-led professional services firm, Aprio delivers advisory, assurance, tax, outsourced accounting and private client services to build value, drive growth, manage risk and protect wealth. With proven expertise and genuine care, Aprio serves individuals and businesses, from promising startups to market leaders alike.

[Aprio.com](https://www.aprio.com)

---

For Payroll Tax Credit Assistance, please contact:



Carli Huband  
Partner-in-Charge,  
R&D Tax Credit Services  
[carli.huband@aprio.com](mailto:carli.huband@aprio.com)  
[770-353-2772](tel:770-353-2772)