

Webinar Team Year in Review

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What. A. Year.

MAR 13 - National Emergency declared

MAR 18 - Families First Coronavirus Response Act signed

MAR 27 - CARES Act signed, providing \$2.2 trillion in aid, tax credits and deferrals, unemployment expansion, Paycheck Protection Program, stimulus checks

APR 24 - Paycheck Protection Program and Health Care Enhancement Act, replenishing exhausted PPP loan funds



The year continues....

JUN 5 - Paycheck Protection Program Flexibility Act of 2020, extended forgiveness covered period

JUL 27 - Virginia Emergency Temporary Standard (ETS) adopted, making CDC guidelines enforceable in Virginia

AUG 8 - Memorandum on Deferring Payroll Tax Obligations

SEPT 26 – Deadline for VA businesses to adopt requirements of ETS

OCT 8 - SBA and Treasury Announce Simpler PPP Forgiveness for Loans <\$50K

NOV 3 – U.S. Presidential Election; COVID-19 surges in numerous states



Quick Updates

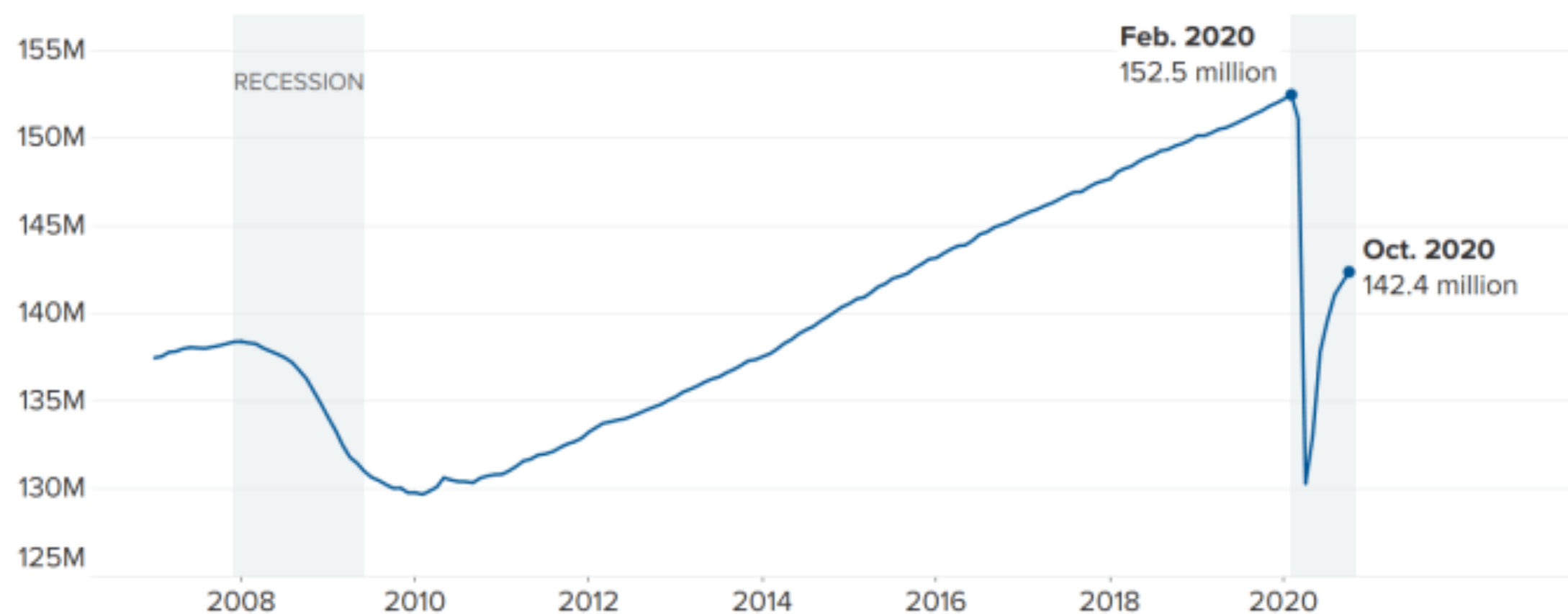
JOB

- 21+ million Americans are currently claiming some form of unemployment insurance
- Nov. 12 Labor Department data shows that unemployed Americans are spending more time out of work.
- Regular state unemployment assistance expires after 26 weeks, at which point workers can tap 13 weeks of additional federal pandemic unemployment compensation, which was introduced this spring. The number of workers receiving this benefit soared to a record of nearly 4 million last month.



Total U.S. employment

Cumulative nonfarm payrolls, seasonally adjusted



SOURCE: Bureau of Labor Statistics. Data is seasonally adjusted.



Additional Stimulus?



Quick Updates

PPP LOANS

- Some banks accepting forgiveness applications – most have their own forgiveness portals
- Check with your CPA or tax advisor regarding timing for applying for forgiveness – you have up to 10 months following your covered period
- Run the report in iSolved to pull necessary data on FTEs, hours, compensation, etc. - be sure to run the report in excel. The SBA and your lender will need the report in this format
- We can tailor the collection of payrolls to meet your self-determined forgiveness period
- Check FTE reduction and Wage/salary reduction penalties
- FFCRA wages are excluded from PPP forgivable payroll expenses
- Find forgiveness applications on [dominionpayroll.com](https://www.dominionpayroll.com) -> COVID-19 Updates -> Forms & Info



Quick Updates

Employee Retention Credit

Available through December 31, 2020

The Employee Retention Credit is a refundable tax credit against certain employment taxes equal to 50 percent of the qualified wages an eligible employer pays to employees after March 12, 2020, and before January 1, 2021. Eligible employers can get immediate access to the credit by reducing employment tax deposits they are otherwise required to make. Also, if the employer's employment tax deposits are not sufficient to cover the credit, the employer may get an advance payment from the IRS.

For each employee, wages (including certain health plan costs) up to \$10,000 can be counted to determine the amount of the 50% credit.

Employers, including tax-exempt organizations, are eligible for the credit if they operate a trade or business during calendar year 2020 and experience either:

1. The full or partial suspension of the operation of their trade or business during any calendar quarter because of governmental orders limiting commerce, travel, or group meetings due to COVID-19, or
2. a significant decline in gross receipts.



Quick Updates

Payroll Tax Deferral

Available through December 31, 2020

The Coronavirus, Aid, Relief and Economic Security Act (CARES Act) allows employers to defer the deposit and payment of the employer's share of Social Security taxes and self-employed individuals to defer payment of certain self-employment taxes.

- The form 941 and instructions have been updated to reflect the deferred payments for Q2, Q3 and Q4
- Can be use in conjunction with PPP loans
- The deferred deposits of the employer's share of Social Security tax must be deposited by the following dates (referred to as the "applicable dates") to be treated as timely (and avoid a failure to deposit penalty):

On December 31, 2021, 50 percent of the eligible deferred amount; and
On December 31, 2022, the remaining amount.



Quick Updates

FFCRA PAID LEAVES

Available through December 31, 2020; Paid for by the government via tax credits

A.) Emergency Paid Sick Leave (EPSL)

- Up to 80 hours, based on employee's typical schedule over two weeks
- No waiting period for new hires or rehired former employees
- 6 qualifying conditions, including childcare
- 100% or 2/3 rate of pay depending on qualifier (max \$511/day and \$200/day)



Qualifying Reasons and Rates of Pay for Emergency Paid Sick Leave:

An employee qualifies for paid sick time if the employee is unable to work (**or unable to telework**) due to a need for leave for the following reasons (NOTE: 100% pay includes average OT calculation):

1. Is subject to a Federal, State, or local quarantine or isolation order related to COVID-19 (100% pay)
2. Has been advised by a health care provider to self-quarantine related to COVID-19 (100% pay)
3. Is experiencing COVID-19 symptoms and is seeking a medical diagnosis (100% pay)
4. Is caring for an individual subject to an order described in (1) or self-quarantine as described in (2) (2/3 pay)
5. Is caring for a child whose school or place of care is closed (or childcare provider is unavailable) for reasons related to COVID-19 (2/3 pay)
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. (2/3 pay)



Quick Updates

B. Emergency FMLA (EFMLA)

- 30 day waiting period – Can take into account furlough time
- Up to 12 weeks, taken consecutively OR intermittently (there are not 12 weeks left in 2020, but keep a record. Weeks not yet taken may be available if program is extended into 2021).
- One qualifying condition → **Childcare** (2/3 rate of pay; max \$200/day)



Quick Updates

If an employee requests FFCRA leave:

- Ask them to submit a request form (available on our website)
- Work with them on a plan. Put this plan in writing. Give employee a copy. Place your copy in their personnel file. Keep for six years.
- Honor the leave!
- Email customerservice@dominionpayroll.com to request separate earnings codes so we can track that leave and apply real time, dollar for dollar tax credits. **The government will pay those wages.**

Notes:

- Benefits should continue during leave.
- The extra 1/3 can be made up through use of PTO, unemployment benefits, or you can choose to pay that 1/3.
- Apply all decisions about these leaves consistently and fairly.



How we can help

- Dominionpayroll.com -> COVID-19 Resources
- Weekly webinars
- Questions@dominionpayroll.com
- HR Consulting Services (DP Boost)



Contact Us:

Customer Service:

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