



Coronavirus – Employer Update

Updated March 26, 2020

The \$2 trillion stimulus package, the “CARES” Act (Coronavirus Aid, Relief and Economic Security Act) is expected to be finalized this week. The highlights:

- Direct Payments

Taxpayers will receive a one-time payment of \$1,200 (\$2,400 for couples filing jointly) sometime in May, for those taxpayers making \$75,000 or less annually. A reduced payment will be paid to those earning \$99,000 or less. Families would also receive \$500 per child.

- Unemployment Compensation

Unemployment benefits will be expanded by 13 weeks, and independent contractors would be eligible. As currently drafted, weekly unemployment benefits could increase by \$600 per week for four months.

- Small Business Emergency Loans

Small businesses who do not lay off employees will be eligible for loans through community banks. This program will expire June 30, 2020. The loan will be forgiven if the employer continues to pay workers through this crisis. For more detail, visit <https://www.natlawreview.com/article/small-business-relief-cares-act>

Families First Coronavirus Response Act – additional guidance and updates

Employers are struggling to understand the Families First Coronavirus Response Act (FFCRA) as well as related local and state laws. Here are some updates:

- An employer may send home an employee exhibiting symptoms of COVID-19, or similar flu-like symptoms.
- Employers are now permitted to measure an employee’s body temperature. You are permitted to ask questions specific to COVID-19. Avoid asking open-ended questions, e.g., “How are you feeling today?” Instead ask “Do you have a

temperature today or any other COVID-19 symptoms today?” This information should be treated as confidential information. Many of our clients are asking employees to take their temperature before physically reporting to a workplace.

- The FFCRA is effective April 1, 2020. This is a change from the original date, April 2, 2020, that was communicated by the federal government last week.
- The Act provides for an exemption for businesses with less than 50 employees. The DOL is expected to issue guidance with “simple and clear criteria” on the qualifications related to this exemption.
- We expect guidance from the IRS on the tax credits for the emergency sick leave, the emergency family and maintaining health care coverage. The current information is that these payments will be processed within two weeks.*
- Salary cuts, four-day work weeks and Workshare options are widely being considered by many of our clients.
- Furloughs and layoffs are also being evaluated by many clients. These are two distinct options, each with advantages and disadvantages.
- The Department of Labor has published a workplace poster. The poster can be displayed in the workplace or can be emailed/mailed to employees. ([click here for poster](#))

**We suggest contacting your tax professional for additional guidance on the payroll tax credit.*

First Beacon Group LLC will continue to provide guidance on coronavirus and the potential impact on our workplaces. For more information, please contact Pattie Hunt Sinacole at psinacole@firstbeacongroun.com or (508)435-9889.

3-26-20