

The Families First Coronavirus Response Act



DECAL
Thriving Child Care
Business Academy

Did you or your team need time off for coronavirus, quarantine, or remote school in 2020 or 2021? The FFCRA helps most businesses – even those with only one owner/employee – to get compensation for time off because of COVID, quarantine, and taking care of children out of school.

Did you have staff who needed time off in 2020 or 2021 for:

- Coronavirus-19 (COVID) illness;
- Quarantining because of a potential or direct COVID exposure;
- Taking care of a family member with COVID; or
- Taking care of your children because their child care provider or school was closed or limited to remote education?

If you answered yes to any of these questions, even if they were in the past, you may be able to qualify for federal funds.

What is Families First Coronavirus Response Act Leave?

When the pandemic struck, many small businesses could not afford to provide the additional sick leave that would be needed due to COVID-19 related illness or quarantine. Additionally, many schools closed in reaction to the pandemic, forcing countless parents to stay home with their children and support them with remote schooling. In many cases, these small businesses lacked the reserve funds needed to pay employees whose children were now at home, leaving them unable to return to work but with no income. As such, the Federal Government created the Families First Coronavirus Response Act (FFCRA) Leave which provides funds in the form of payroll tax credits to help alleviate the economic impact of needing to provide this leave.

Businesses have through 2024 to amend their past taxes to apply for this credit.

Is my business eligible?

If you have fewer than 500 employees, you can take advantage of the FFCRA. **Even if you are a sole proprietor or self-employed and it is just you — you can take advantage of the program.**

PRO TIP: If you have a PPP, you cannot “double count” the money. Make sure that the salary you are counting for the FFCRA is not the same as the PPP. For example, if you are claiming PPP forgiveness for all your salary in May 2020, you

cannot also claim an FFCRA.

PRO TIP: If you have 500 or more employees, you're not eligible to claim the credit for qualified paid sick and family leave wages.

How does it work?

The FFCRA covers leave taken between April 1, 2020, and September 30, 2021.

There are two types of leave available.

EMERGENCY PAID SICK LEAVE ACT (EPSLA)

First, the Emergency Paid Sick Leave Act (EPSLA) provides up to 80 hours of sick leave for employees:

- **At their regular rate of pay** (up to \$511 per day with a cap of \$5,110 for the whole 80 hours) if the employee is quarantined for potential COVID-19 exposure or has COVID-19 symptoms.
- **At two-thirds their regular rate of pay** (up to \$200 per day with a cap of \$2,000) if the employee is caring for someone under quarantine or a child (under 18) whose school or child care provider is closed or unavailable for reasons related to COVID-19. **A school closure includes remote learning situations where the child is at home.**

EMERGENCY FAMILY AND MEDICAL LEAVE EXPANSION ACT (EFMLEA)

Second, the Emergency Family and Medical Leave Expansion Act (EFMLEA) provides up to **12 weeks** of expanded family and medical leave with 10 of those weeks paid at **two-thirds the employee's regular rate of pay** (up to \$200 per day with a cap of \$2,000) if the employee is unable to work (including telework) to care for a child whose school or childcare provider is closed due to COVID-19. **A school closure includes remote learning situations where the child is at home.**

How do I get reimbursed?

You get reimbursed through a "refundable tax credit." That's a technical way of saying the United States Treasury pays you using money from employment taxes. Think of this term as simply a "reimbursement" for the applicable wages.

Reimbursement is handled differently if the employee taking the leave is a "W-2 employee" or a sole proprietor/self-employed individual.

For W-2 Employees

You can get reimbursement for W-2 employees by revising past **FORM 941** submittals using an amendment ([FORM 941X](#) and [instructions](#)).

For Sole Proprietors & the Self-Employed

It is important to know you can claim the credit for 2020 or 2021, even if you already submitted your taxes. You will need to ask your tax preparer to file a **FORM 1040X** ([instructions for Form](#)

[1040X](#)) and use **Form 7202: Credits for Sick Leave and Family Leave for Certain Self-Employed Individuals**. To help you with this process, we have created a [supplemental worksheet](#) that provides a way to share the data (and how to use the credit) with your tax preparer. You can also do this through the amendment process of most tax software programs.

What else should I know?

Employers may exclude healthcare providers or emergency responders from EPSLA and EFMLEA leave, and businesses with less than 50 employees can qualify for an exemption if the leave would jeopardize the viability of the business.

Additional Resources

If you have questions or need help, assistance is available.

[GaPDS Website](#)

[DECAL Thriving Child Care Business Academy Website](#)

[Georgia Licensing Rules and Regulations](#)

To Find Other Study Guides: Click on [Resources](#) on the Academy home page

To Find Training: Click on [Trainings](#) on the Academy home page

To Register for Training: Click on [Schedules & Registration](#) on the Academy home page

To Sign Up for Study Groups: Fill out the [Intake Assessment](#)

For questions about coaching or study groups: Email GAcoaching@civstrat.com

To Find Other ECE Resources: Visit the [DECAL Website](#)

For General Questions about the Academy: Email thriving@dec.al.ga.gov

For More Information:

[Family Child Care Learning Home Rules and Regulations](#)

[Child Care Learning Center Rules and Regulations](#)

Attachment A: Supplemental Worksheet for Form 7202 IRS Credits for Sick Leave and Family Leave

In accordance with the Families First Coronavirus Response Act, sole proprietors must use Form 7202 IRS to report the number of days unable to perform services between the dates of April 1, 2020, through December 31, 2020, as a result of government-ordered closures, COVID-19 related self-quarantine, caring for an individual under quarantine, or caring for a child whose school, place of care, or childcare provider was unavailable due to COVID-19. Use the worksheet below to complete Form 7202 IRS and enter the resulting total on Line 12b on Schedule 3 (1040) Additional Credits and Payments as a qualified sick and family leave credit.

In the table below, enter leave taken between April 1, 2020, to September 30, 2021, *due to COVID-19 related government-ordered business closures or COVID-19 related self-quarantine*. Enter the total on Line 1 of Form 7202 IRS.

FORM 7202 IRS: LINE 1		
Start Date	End Date	Total Days
TOTAL (add all rows):		

In the table below, enter leave taken between April 1, 2020, to September 30, 2021, *due to care of an individual under COVID-19 related quarantine, care of a child whose school, place of care, or childcare provider was closed due to COVID-19.*¹ Enter the total on Line 2 of Form 7202 IRS.

FORM 7202 IRS: LINE 2		
Start Date	End Date	Total Days
TOTAL (add all rows):		

¹ A child must be under 18 years of age or incapable of self-care due to mental or physical disability.