

A blue-tinted photograph of a group of people in a meeting. In the foreground, a woman with long dark hair is gesturing with her hands while speaking. In the background, another woman with blonde hair and glasses is smiling. The scene is dimly lit, suggesting an indoor setting like a conference room or office.

# New COVID-19 Related Regulations for Small Businesses

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# Funding



U.S. Small Business  
Administration



# Services



Feasibility

Paperwork / legal

Business plan

Resource partners

Market research &  
interpretation

State & nationwide  
network

Financial analysis

Understanding financing

Exporting assistance

Sources of financing

Tech. commercialization

# Stats

- Dozen SBA Disaster Loans; multiple times
- 1 of a handful of **trusted** Resource Partners of the SBA
- 1<sup>st</sup> to receive direct info from the SBA

# FFCRA



80 hours



10 weeks

- Begins April 1, 2020
- Applies to all small businesses with < 500 employees
- Exemption for <50 employees?

No, except for extended leave under FMLA, “threatens the viability... as a going concern” COVID-19 related, and only for childcare. Dept of Labor will give process

# FFCRA



80 hours

Worked for 30+ days. Applies to Full-time & part-time.

- Employee is quarantined or self-quarantined, &/or experiencing COVID-19 symptoms, & seeking a medical diagnosis.

100% of regular pay rate up to \$511/day.

Part-time calculation based on average hours.

Can't require them to use other PTO first.

# FFCRA



80 hours

## 2/3 pay rate for the following:

- The employee is caring for an individual subject to quarantine.
- The employee is caring for a child whose school is closed or child care provider is unavailable for reasons related to COVID-19,
- and/or the employee is experiencing substantially similar conditions as specified by the U.S. Department of Health and Human Services.

# FFCRA



**10 weeks**

## 2/3 pay rate for the following:

- An employee who is unable to work due to a need to care for a child whose school is closed, or child care provider is unavailable for reasons related to COVID-19, may in some instances receive up to an additional ten weeks of expanded paid family and medical leave at 2/3 the employee's pay.
- Capped at \$200/day; \$12,000 aggregate (2 weeks sick + 10 weeks EFMLA)



# FYI

OSHA: Can not take an employee's temp.

Mosaic isn't giving medical letters to patients for their employers

There are fines and other penalties for not following the COVID-19 paid sick leave requirement

# FYI

Don't terminate an employee who reports COVID-19 symptoms; anti-retaliation laws, ADA and anti-discrimination laws may come into play

# Tax Credit

Wages paid for COVID-19 sick time and leave time is 100% refundable

Payroll tax credit

Credit includes healthcare insurance costs as well as actual wages and federal income taxes paid including Medicare & Social Security

# Tax Credit

Dollar for dollar tax offset against payroll taxes owed.

How? Form 941 currently used to submit payroll taxes owed.

You will retain whatever COVID-19 related time-off you paid from your federal payroll tax liability.



# Tax Credit - Example

1. Payroll taxes for April total \$12,000
2. COVID-19 related paid sick time wages, insurance, and taxes total \$2,000
3. You now only owe \$10,000 in payroll taxes  
 $\$12,000 - \$2,000 = \underline{\$10,000}$

1. Payroll taxes for April total \$5,000
2. COVID-19 related paid sick time wage, insurance, and taxes total \$6,000
3. You owe \$0 and the IRS will refund you \$1,000  
 $\$5,000 - \$6,000 = (\$1,000)$

*Amt not suff. to cover cost of  
paid leave: Request an  
expedited advance from IRS.  
How?*

# Common Questions

Self-employed: Receive an equivalent income tax credit

Sick time unrelated to COVID-19 during this time...still required to pay?

Person wants off because of fear of COVID-19.....

# Common Questions

Documentation?

Treasury & Labor are both supposed to provide guidance this week and next week, respectively.

Memo: dated & signed

FMLA paperwork.

# Common Questions

If I lay-off people, do I still have to pay the sick time or EFMLA?

If I reduce an employee's hours due to COVID-19, do I have to pay sick time or EFMLA?



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