

Legislative Update

What We Know Now

April 20, 2020

Legal Disclaimer

This training is intended for educational and informational purposes.

While we hope that you will learn a lot today, we are not attorneys, and the information should not be construed as legal advice.



We are answering your questions live on the air right now.

Please submit questions through the **Q&A function**,
not the chat option at the bottom of your screen.



Healthcare Providers

FFCRA Exemptions



Schedule C filers and partnerships
ARE eligible for PPP loans



Unemployment

PUC

Pandemic Unemployment Compensation
(this is regular unemployment)

PUA

Pandemic Unemployment Assistance
(for people that don't normally qualify for unemployment)

PEUC

Pandemic Emergency Unemployment Compensation
(extends regular unemployment by 13 weeks)

All three qualify for the additional \$600/month from the Federal Pandemic Unemployment Commission



Health Care Credit

Does the amount of qualified health plan expensed include both the portion of the cost paid by the Eligible Employer and the portion of the cost paid by the Employee?

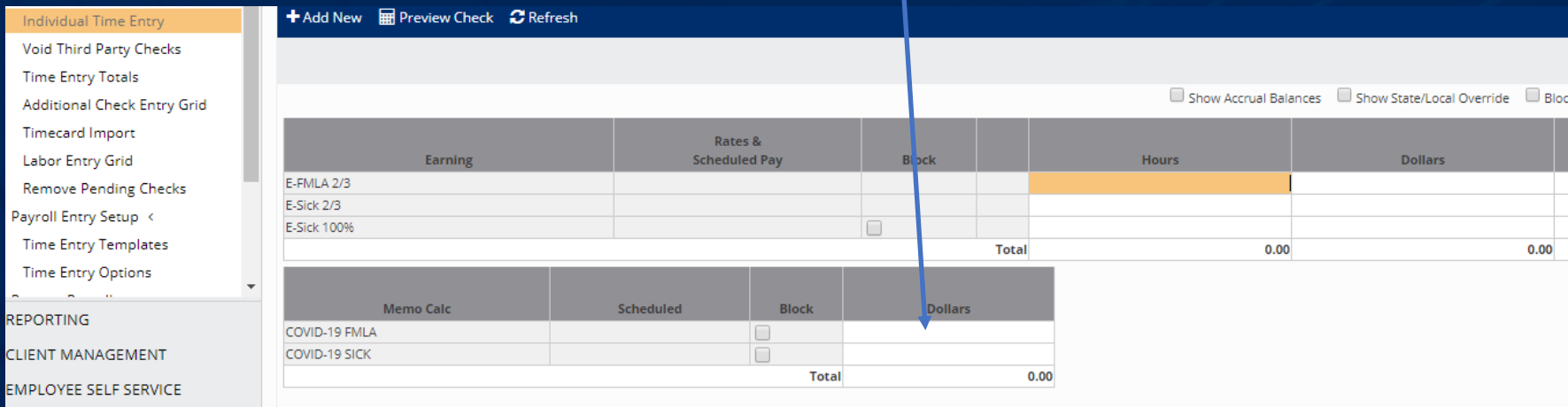
The amount of qualified health plan expenses taken into account in determining the credits generally includes both the portion of the cost paid by the Eligible Employer and the portion of the cost paid by the employee with pre-tax salary reduction contributions. However, the qualified health plan expenses should not include amounts that the employee paid for with after-tax contributions.

<https://tinyurl.com/y6wx9yhs>



FFCRA-Health Care Expenses

Payroll Processing > payroll entry > individual time entry
change template to all
key in health amount under the memo code “COVID-19 Qualified Health Plan Expenses (FMLA or SICK)”.



The screenshot shows the 'Individual Time Entry' interface. On the left is a sidebar menu with options: Individual Time Entry, Void Third Party Checks, Time Entry Totals, Additional Check Entry Grid, Timecard Import, Labor Entry Grid, Remove Pending Checks, Payroll Entry Setup, Time Entry Templates, Time Entry Options, REPORTING, CLIENT MANAGEMENT, and EMPLOYEE SELF SERVICE. The main area has a top bar with '+ Add New', 'Preview Check', and 'Refresh'. Below this are checkboxes for 'Show Accrual Balances', 'Show State/Local Override', and 'Block'. The interface contains two tables. The first table has columns: Earning, Rates & Scheduled Pay, Block, Hours, and Dollars. It lists 'E-FMLA 2/3', 'E-Sick 2/3', and 'E-Sick 100%' with a 'Total' row showing 0.00. The second table has columns: Memo Calc, Scheduled, Block, and Dollars. It lists 'COVID-19 FMLA' and 'COVID-19 SICK' with a 'Total' row showing 0.00. A blue arrow points from the text 'key in health amount under the memo code' to the 'COVID-19 SICK' row in the second table.

Earning	Rates & Scheduled Pay	Block	Hours	Dollars
E-FMLA 2/3				
E-Sick 2/3				
E-Sick 100%		<input type="checkbox"/>		
Total			0.00	0.00

Memo Calc	Scheduled	Block	Dollars
COVID-19 FMLA		<input type="checkbox"/>	
COVID-19 SICK		<input type="checkbox"/>	
Total			0.00



Examples of FFCRA-Health Care Expenses

Ex: Weekly payroll, employee is getting 40 hours of FFCRA earnings and weekly medical for employer is \$50.00 and employee is \$50.00 then the memo amount would be \$100.00

Ex: Weekly payroll, employee is getting 32 EFMLA/EPSTL hours for pay cycle (8 hours regular pay), ER will need to prorate the healthcare credit

- Determine the hourly healthcare expense rate
 $\$100/40 \text{ hours} = \$2.5/\text{hour}$
- Multiply the EFMLA or EPSTL hours by the hourly healthcare expense rate
 $32 \text{ hours} \times \$2.5/\text{hour} = \$80 \text{ prorated healthcare expense}$



Examples of FFCRA-Health Care Expenses

Ex: Weekly payroll, employee is getting 40 hours of FFCRA earnings and the monthly medical expense for employer is \$500 and the employee monthly portion is \$500.

- $\$500 + \$500 = 1000$ per month
- $\$1000 * 12 = \$12,000$ / year
- $\$12,000 / 52 = \230.77 /week
- \$230.77 would go into the memo calc

- For 32 hrs, $\$230.77 / 40 \text{ hr} = \$5.77/\text{hr}$ (hourly healthcare expense rate)
 - 32 hrs X \$5.77/hr = \$184.64 in the memo calc



EFMLA, ESICK & HEALTH EXPENSES

- These amounts will reduce your tax amount due from your 941. This will happen automatically with our enhancement on 4-10-2020



Questions?

Please email:

questions@dominionpayroll.com

For resources, updates, webinar schedule, and FAQ's, please visit our

[COVID-19 Updates & Resources page](#)



As requirements change and laws are passed, we will update you as soon as possible.

Don't forget to wash your hands!

