

# Treasury and IRS Release FAQs to Help Small and Midsize Businesses Navigate Paid Sick and Family Leave Tax Credits

April 1, 2020

**WASHINGTON** – The U.S. Department of the Treasury and the Internal Revenue Service are offering small and mid-size employers more information on refundable tax credits that reimburse them, dollar-for-dollar, for the cost of providing their employees paid sick and family leave wages related to COVID-19.

“The financial strain American businesses are experiencing is not their fault,” said Secretary Steven T. Mnuchin. “These tax credits for small and mid-size businesses will cover the cost of providing paid sick and family leave wages, which will help protect the health of American families and businesses during this unprecedented time.”

The Families First Coronavirus Response Act (FFCRA), signed by President Trump on March 18, 2020, gives businesses with fewer than 500 employees funds to provide employees with paid sick leave and family and medical leave related to COVID-19.

Eligible employers can receive a credit in the full amount of the qualified sick leave and family leave wages paid for between April 1, 2020, and December 31, 2020.

Employers can be reimbursed immediately by reducing their federal employment tax deposits. If there are insufficient federal employment taxes to cover the amount of the credits, employers may request an accelerated payment from the IRS.

[Read more information on small and mid-size business tax credits for paid sick and family leave.](#)

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