


# American Rescue Plan Tax Credits Available to Small Employers to Provide Paid Leave to Employees Receiving COVID-19 Vaccines

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WASHINGTON — The Treasury Department and the Internal Revenue Service announced today further details of tax credits available under the American Rescue Plan to help small businesses, including providing paid leave for employees receiving COVID-19 vaccinations.

Eligible employers, such as businesses and tax-exempt organizations with fewer than 500 employees and certain governmental employers, can receive a tax credit for providing paid time off for each employee receiving the vaccine and for any time needed to recover from the vaccine. For example, if an eligible employer offers employees a paid day off in order to get vaccinated, the employer can receive a tax credit equal to the wages paid to employees for that day (up to certain limits).

The additional details, provided in a [fact sheet](#) released today by the IRS (and available in English and Spanish), spell out some basic facts about the employers eligible for the tax credits. It also provides information on how these employers may claim the credit for leave paid to employees related to COVID-19 vaccinations.

For more details on how the paid leave tax credits from the American Rescue Plan will work for employers to enable employees to get vaccinated and recover from after-effects of vaccination, as well as for other purposes, see the [snapshot](#)  also released today by Treasury.

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