

LEGAL UPDATE

IRS: FFCRA Leave Credits Apply for COVID-19 Immunization of Others

The IRS has updated its [frequently asked questions](#) (FAQs) on employer tax credits for providing employee leave under the Families First Coronavirus Response Act (FFCRA) (as amended and extended by the American Rescue Plan Act (ARPA)).

FAQ Updates

The FFCRA/ARPA paid sick and family leave credits reimburse eligible employers for the cost of providing paid sick and family leave for reasons related to COVID-19. The revised FAQs make clear this includes leave taken by employees to:

- Accompany an individual to obtain immunization related to COVID-19, and
- Care for an individual who is recovering from any injury, disability, illness or condition related to the immunization.

“Individual” here means an immediate family member, someone who regularly resides in the employee’s home, or a similar person with whom the employee has a relationship that creates an expectation that the employee would care for the person.

The FFCRA/ARPA Credits

The FFCRA required small and mid-sized employers to provide paid employee leave for specific COVID-19-related reasons through Dec. 31, 2020.

Subsequent legislation, including the ARPA, extended the law’s tax credits for employers that continued to offer the leave on a voluntary basis. The credits, taken against employment taxes, are in effect through Sept. 30, 2021.

Important Dates

March 18, 2020

FFCRA provided employer tax credits for employee leave the law required for COVID-19-related reasons.

March 11, 2021

ARPA extended the credits through Sept. 30, 2021, for employers that continued to provide FFCRA leave after the mandate ended in 2020.

July 29, 2021

IRS FAQs clarify that the tax credits apply for leave related to the COVID-19 immunization of others.

Leave is allowed when there is an expectation that the employee would care for the other person.

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