



Comparison of COVID-19 business relief options

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This chart compares the COVID-19 business relief options as defined by the [Families First Coronavirus Response Act \(FFRCA\)](#), the [Coronavirus Aid, Relief, and Economic Security \(CARES\) Act](#) and the [Paycheck Protection Program Flexibility Act \(PPPFA\)](#). The chart provides guidance on tax-related connections between the various relief options.

	Tax credit for emergency paid family leave	Tax credit for emergency paid sick leave	Employee retention credit	Payroll tax deferral	Paycheck Protection Program (PPP)	Economic Injury Disaster Loan (EIDL) grants
Legislative authority	Division C and G of FFRCA	Division E and G of FFRCA	Sec. 2301 of the CARES Act	Sec. 2302 of the CARES Act	Sec. 1102 of the CARES Act (loan forgiveness is provided in Sec. 1106 of the CARES Act) and the PPPFA	Sec. 1110 of the CARES Act
Start date	The provisions are effective April 1, 2020, and apply to leave taken between April 1, 2020, and Dec. 31, 2020. Wages paid for leave taken prior to April 1 will not be eligible for the payroll tax credits. See Notice 2020-21 for more information.		Applies to qualified wages paid after March 12, 2020, and before Jan. 1, 2021.	Applies to tax deposits from March 27, 2020, through Dec. 31, 2020.	Loan application submissions began April 3, 2020, for small businesses. Loan application submissions began April 10, 2020, for independent contractors and self-employed individuals.	An application is available online on the SBA website. As of April 15, SBA will only accept EIDL applications on a limited basis only to provide relief to U.S. agricultural businesses.
Length	10 weeks of pay per qualifying employee through Dec. 31, 2020.	Two weeks of pay per qualifying employee through Dec. 31, 2020.	The credit is 50% of up to \$10,000 wages for qualifying employers through Dec. 31, 2020, or until an increase in operation levels above certain limits.	The employer's share of SS tax that is deferred from March 27, 2020 until the date of the forgiveness will be due as follows: 50% by Dec. 31, 2021, and 50% by Dec. 31, 2022.	If the PPP payment stays a loan, there is a two-year loan term (five years for new loans) for the balance of the unforgiven loan amount outstanding with a 1% interest rate. If the PPP payment becomes a grant, the forgivable portion is determined based upon how funds are used in a 24-week period (eight-week period for existing loans with the option to extend) after funding, not to exceed Dec. 31, 2020.	Loan term up to 30 years (determined on a case-by-case basis by SBA). The first payment is deferred for one year.

	Tax credit for emergency paid family leave	Tax credit for emergency paid sick leave	Employee retention credit	Payroll tax deferral	Paycheck Protection Program (PPP)	Economic Injury Disaster Loan (EIDL) grants
Amount of relief	<p>An eligible employer may claim a fully refundable tax credit equal to 100% of the qualified family leave wages (and allocable qualified health plan expenses and the eligible employer's share of Medicare tax on the qualified family leave wages) it pays.</p> <p>The leave is available for up to 12 weeks. The first two weeks of the leave may consist of unpaid leave. The following 10 weeks are paid leave. The employee may choose to use any accrued paid time off or sick leave for the first two weeks.</p> <p>The credit is generally available for $\frac{2}{3}$ of pay up to \$200 in wages for each day an employee receives qualified family leave wages. A maximum of \$10,000 in wages per employee would be eligible for the credit.</p>	<p>An eligible employer may claim a fully refundable tax credit equal to 100% of the qualified sick leave wages (and allocable qualified health plan expenses and the eligible employer's share of Medicare tax on the qualified sick leave wages) it pays.</p> <p>The maximum amount of paid sick leave (two weeks) is based on the greater of regular pay or minimum wage, but not more than:</p> <ul style="list-style-type: none"> • 100% of pay or \$511 per day (\$5,110 in total) for leave paid because of reasons one, two and three. • $\frac{2}{3}$ of pay or \$200 per day (\$2,000 in total) for leave paid due to reasons four, five and six. 	<p>The fully refundable credit equals 50% of the qualified wages (including qualified health plan expenses) that an eligible employer pays in a calendar quarter.</p> <p>The maximum amount of qualified wages considered with respect to each employee for all calendar quarters is \$10,000, so that the maximum credit for qualified wages paid to any employee is \$5,000.</p>	<p>The employer may defer paying its match of Social Security (SS), which is 6.2% of employee wages up to \$137,700.</p>	<p>The lesser of:</p> <ul style="list-style-type: none"> • Average monthly payroll costs times 2.5 • \$10 million <p>Funds are provided in the form of loans that can be fully forgiven when used for payroll costs, interest on mortgages, rent and utilities. Other requirements must be met for loan forgiveness.</p> <p>The PPPFA lowers the requirement related to payroll expenditures. Per the PPPFA, 60% of loan proceeds must be used for payroll costs and 60% of the loan forgiveness amount must be spent on payroll costs during the 24-week covered period.</p>	<p>The maximum loan amount is \$2 million. Loans are based on "actual economic injury" as determined by the SBA, less any recoveries such as insurance proceeds.</p> <p>Interest rate is 3.75% (2.75% for not-for-profit entities).</p> <p>An advance of \$10,000 can be requested to be provided within three days.</p> <p>If not approved for the EIDL loan, then the advance does not need to be paid back.</p>

	Tax credit for emergency paid family leave	Tax credit for emergency paid sick leave	Employee retention credit	Payroll tax deferral	Paycheck Protection Program (PPP)	Economic Injury Disaster Loan (EIDL) grants
Qualification	<p>Less than 500 employees, generally.</p> <p>The employee must be at home caring for a child of such employee if the school or place of care of the child has been closed, or the childcare provider of such child is unavailable due to COVID-19 precautions (reason five).</p>	<p>Less than 500 employees, generally.</p> <p>The employee must meet one of six sick leave reasons to qualify.</p>	<p>The credit is available to employers of any size whose operations were fully or partially suspended during any calendar quarter in 2020 due to orders from an appropriate governmental authority limiting commerce, travel or group meetings or because the business experienced a significant decline in gross receipts during the calendar quarter.</p>	<p>All employers may defer the deposit and payment of the employer’s share of SS tax, including businesses that took a PPP loan as provided in the PPPFA (these businesses were prohibited under the CARES Act).</p>	<p>Small businesses with 500 or fewer employees, including nonprofits, veterans’ organizations, tribal concerns, self-employed individuals, sole proprietorships, and independent contractors are eligible.</p> <p>Businesses with more than 500 employees are eligible in certain industries.</p>	<p>Less than 500 employees, generally.</p> <p>The Small Business Administration (SBA) calculates all individuals employed on a full-time, part-time or other basis.</p> <p>At this time, only agricultural business applications will be accepted. For other businesses, the SBA stopped accepting new EIDL applications on April 15 and will be processing those applications on a first-come, first-served basis. For more information, see EIDL loan portal reopens for agricultural businesses only.</p> <p>EIDL loans can be used to pay fixed debts, payroll, accounts payable and other bills that can’t be paid because of the disaster’s impact.</p>

	Tax credit for emergency paid family leave	Tax credit for emergency paid sick leave	Employee retention credit	Payroll tax deferral	Paycheck Protection Program (PPP)	Economic Injury Disaster Loan (EIDL) grants
Interplay with other relief provisions	It can be used with the PPP and employee retention credit, but not for the same period/wages.	It can be used with the PPP and the employee retention credit, but not for the same period/wages. The sick leave and family leave can work together if an employee is taking care of a child because his or her school is closed, or child care isn't available (sick leave reason five). In that case, the first two weeks would be paid sick leave and the following 10 weeks would be paid family leave.	An employer may not receive the employee retention credit if the employer receives a PPP loan.	The PPPFA allows businesses that took a PPP loan to also delay payment of their payroll taxes (which were prohibited under the CARES Act). Employers may defer payment of the employer's share of SS tax for wages paid after March 27, 2020 and before Jan. 1, 2021, paying half of the deferred balance on Dec. 31, 2021 and the other half on Dec. 31, 2022.	An employer that receives a PPP loan may not receive an employee retention credit, regardless of whether and when the loan is forgiven. If there is an outstanding amount of an EIDL made between Jan. 31, 2020 and April 3, 2020, that is used for payroll purposes, it must be refinanced into the PPP loan amount request. The amount of EIDL grant received (up to \$10,000) will reduce the forgiveness amount of the PPP. If the borrower took credits under the FFCRA for sick and family leave wages, those costs are not considered eligible costs for forgiveness purposes.	If there is an outstanding amount of an EIDL made between Jan. 31, 2020, and April 3, 2020, that is used for payroll purposes, it must be refinanced into the PPP loan amount request. The amount of EIDL grant received (up to \$10,000) will reduce the forgiveness amount of the PPP.

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Application to self-employed (SE) individuals	Eligible SE individuals are allowed income tax credits to offset their federal SE tax for any taxable year equal to their “qualified family leave equivalent amount” or “qualified sick leave equivalent amount.” The refundable credits are claimed on the SE individual’s 2020 Form 1040. The SE individual can effectively reduce payments of estimated income taxes to incorporate the credit(s)		N/A unless the SE individual has employees.	Available against 6.2% SS portion of SE tax.	Available whether or not the SE individual has employees.	Eligible
Additional guidance	<p>The U.S. Department of Labor (DOL) has issued temporary regulations, a fact sheet for employees, a fact sheet for employers and FAQs.</p> <p>The IRS has also released FAQs and Notice 2020-21</p> <p>Based on a bulletin issued by the DOL, employers have 30 days (from March 18 through April 17) to comply with the provisions of this legislation as long as reasonable, good faith efforts have been made during that time.</p>		The IRS has released FAQs .	The IRS has released FAQs .	The U.S. Department of Treasury has released guidance and tools .	

For more information, see the AICPA’s [Coronavirus \(COVID-19\) tax resources](#) and [SBA Paycheck Protection Program resources](#).

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