Congressional Response to COVID 19 – Assistance to Individuals and Families

DIRECT PAYMENTS TO INDIVIDUALS:

- Provides for recovery rebates of up to \$1200 for US taxpayers, payable through an advance refundable tax credit. Amounts are increased by \$500 for each child.
- Amounts are phased out for taxpayers making greater than \$75,000 (\$150,000 for joint filers)
 - \$75,000 income \$1200 rebate
 - \$80,000 income \$950 rebate
 - \$85,000 income \$700 rebate
 - \$90,000 income \$450 rebate
 - \$95,000 income \$200 rebate
 - \$99,000 income \$0 rebate

EXPANDED UNEMPLOYMENT COMPENSATION: PANDEMIC UNEMPLOYMENT ASSISTANCE

- Provides unemployment benefits to those who do not qualify for regular unemployment benefits
 - o self-employed,
 - gig workers
 - independent contractors
 - o part-time workers and those with limited work histories.
- Provides an emergency increase in unemployment compensation that will add an additional \$600 weekly until July 31, 2020.
- Provides an additional 13 weeks of federally-funded unemployment compensation to those who have exhausted their state benefits available through December 31, 2020

FAMILY LEAVE BENEFITS

- Expands Family and Medical Leave Act to provide 12 weeks of job-protected leave for employees who must care for a child due to school closing, for quarantine or to take care of a family member in quarantine.
- The first 10 days are unpaid and after 10 days the employee would receive payments of at least 2/3 of average pay up to a maximum of \$200 per day and \$10,000 in total.
- This would apply to businesses with fewer than 500 employees and government employers. The businesses are
 eligible for a refundable tax credit of 100% of family leave wages paid against the employer portion of social
 security taxes.

PAID SICK LEAVE

Requires government employers and employers with 500 or fewer employers to provide paid sick leave to employees who are:

- subject to federal, state or local quarantine or isolation orders
- who are self-quarantining because of symptoms or recommendation from a health care provider
- taking care of family who has symptoms or has to quarantine
- caring for a child whose school or day care has closed.

Full time employees are entitled to 80 hours and part-time employees are entitled to average hours over a two-week period. The businesses are eligible for a refundable tax credit equal to 100% of qualified paid sick leave taken against the employer portion of Social Security taxes.

WHAT ELSE

- WAIVER OF PENALTY FOR EARLY WITHDRAWALS: The 10% tax for premature distributions of up to \$100,000 from retirement plans is waived for withdrawals related to coronavirus.
- CHARITABLE CONTRIBUTIONS: Relaxes limitations on charitable contributions by allowing up to \$300 of cash contributions, whether or not taxpayer itemizes.