

Get to know the COVID-19 Leave Codes

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The Families First Coronavirus Response Act (FFCRA) requires certain employers to provide their employees with paid sick leave and expanded family and medical leave for specified reasons related to COVID-19. These provisions will apply from April 1, 2020 through December 31, 2020.

Please review the link below to identify how these codes may apply to your company.

Employers with 50 or fewer Employees or Employers with 50 but less than 500 employees

PayData Code Names:

EC2 - COVID SICK*

<u>Eligibility:</u> Employees unable to work due to quarantine &/or experiencing COVID-19 symptoms & seeking diagnosis. <u>Compensation:</u> Up to 80 hours of paid sick time at employee's regular rate of pay. <u>Limits:</u> \$511 per day & \$5110 in a 2-week period.

EC3 - COVID SICK 2/3*

<u>Eligibility:</u> Employees unable to work due to a bona fide need to care for a quarantined individual or to care for a child under 18 whose school or childcare is closed due to COVID-19. <u>Compensation:</u> Up to 80 hours of paid sick time at 2/3 the employee's regular rate of pay. <u>Limits:</u> Up to \$200 per day & \$2000 over a 2-week period.

EC4 - COVID FMLA 2/3*

<u>Eligibility</u>: Employees who have been employed for at least 30 days, unable to work due to a bona fide need for leave to care for a child whose school or childcare is closed to due to COVID-19.

<u>Compensation</u>: Up to an additional 10 weeks of paid family leave at 2/3 the employee's regular rate of pay. <u>Limits</u>: Up to \$200 per day & \$10,000 over a 10-week period (In addition to the 80 hours of COVID Sick or COVID SICK 2/3 leave allowed).

EC5 - COVID SICK-No Credit (Optional)

<u>Eligibility:</u> Employees whose Employers wish to pay the remaining 1/3 of the employee's regular rate of pay. <u>Compensation:</u> The remaining 1/3 of the employees' pay that is not covered by any of the above codes. <u>Limits:</u> None.

<u>EC6 – COVID Health Credit (Optional)</u> Applicable tax credits also extend to amounts paid or incurred to maintain health insurance coverage. For more information, please see the Department of the Treasury's website.

* Please note that these codes may apply to **Tax Credits:** Covered employers qualify for dollar-for-dollar reimbursement through tax credits for all qualifying wages paid under the FFCRA. Qualifying wages are those paid to an employee who takes leave under the Act for a qualifying reason, up to the appropriate per diem and aggregate payment caps. Applicable tax credits also extend to amounts paid or incurred to maintain health insurance coverage.

For more information, please see the <u>Department of the Treasury's website</u>.

To add these codes and apply the tax credits to your PayData Account: <u>CLICK HERE</u>. How to use and pay my employees using these codes: <u>CLICK HERE</u>

Employee Setup – FFCRA TOA

Your company has been setup with two FFCRA TOA categories.

FFRCA Sick Plans – If you are paying your employees using the EC2 or EC3 codes, you must attach this code to the employee. (Employee/Time Off Accrual). You must also front load the balance for 80 hours of Sick time.

FFCRA FMLA – If you are paying your employees using the EC4 pay code, you must attach this FFCRA FMLA TOA category to the employee (Employee/Time off Accrual). You must also front load the balance for 400 hours of FMLA time.

Please make sure to review your employee's balances so that they don't go over the allotted 80 or 400 hours.

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Keying Your Payroll

If you have an employee that generally gets paid a salary, and you are paying them a pro-rated salary as well as Covid hours, you will need to enter the salary based on a pro-rated hourly rate of pay.

Normal Salary

2 E/D Code	E/D Description	Hours/Pieces	Rate of Pay	Amount	
🕨 E01 🔒	Salary		13.325	1,180.00	

Pro- Rated Salary (must key as an hourly rate of pay) with Covid Code:

E/D Code	E/D Description	Hours/Pieces	Rate of Pay	Amount
E01	Salary	20.00	13.325	266.50
E01	Salary	20.00	13.325	266.50
EC2	COVID Sick	40.00	13.325	533.00

The system is programmed to pay out maximum dollars based on the daily limits as indicated in the "Know Your Code" above.

When posting the EC6 Covid-Health credit, the check lines will appear as a credit ie a negative amount. This is correct – do not change to a positive number. (Please refer to our website for calculating EC6 credits)

EC6 COVID Health		-150.00
EC4 COVID FMLA 401.00	10.00	2,646.60

The employer tax credits will post during the processing of the payroll. If you have any questions regarding the credit amount, please reach out to our Finance Department at Finance@paydata.com