

## 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
  - self-employed,
  - gig workers
  - independent contractors
  - 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 employees 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.