

## IRS Requires Employers to Report FFCRA Wages

[IRS Notice 2020-54](#) requires employers to report an employee's qualified family leave wages under the Families First Coronavirus Response Act (FFCRA) in box 14 of the W-2, or in a separate statement attached to the W-2. The statement must disclose sick leave wages subject to the \$511 per day limit for care of employee, sick leave wages subject to the \$200 per day limit for the employee to care for other individuals, and emergency family leave wages.

When attaching a separate statement, it should be labeled "Emergency Paid Sick and Family Wages," detail the amount, and include the following information (modified as necessary):

*"Included in Box 14, if applicable, are amounts paid to you as qualified sick leave wages or qualified family leave wages under the Families First Coronavirus Response Act. Specifically, up to three types of paid qualified sick leave wages or qualified family leave wages are reported in Box 14:*

- *Sick leave wages subject to the \$511 per day limit because of care you required;*
- *Sick leave wages subject to the \$200 per day limit because of care you provided to another; and*
- *Emergency family leave wages.*

*If you have self-employment income in addition to wages paid by your employer, and you intend to claim any qualified sick leave or qualified family leave equivalent credits, you must report the qualified sick leave or qualified family leave wages on Form 7202, Credits for Sick Leave and Family Leave for Certain Self-Employed Individuals, included with your income tax return and reduce (but not below zero) any qualified sick leave or qualified family leave equivalent credits by the amount of these qualified leave wages. If you have self-employment income, you should refer to the instructions for your individual income tax return for more information."*

CTAS recommends counties review reporting and personnel policies to ensure that they have adequately addressed COVID related leave provisions. Additional items for consideration are:

- Does your policy describe what documentation is necessary for COVID-19 related absences?
- Is there a unique code/method that separates COVID-19 related absences from regular leave? If not, are COVID-19 related absences tracked via another method?
- Are you consistent in your application of COVID-19 leave with all employees in your department?
- Are you allowing employees to work from home? If so, do you have a work-from-home policy, and does that policy have proper internal controls processes in place?
- Has your personnel policy been reviewed by an attorney, submitted to the county legislative body to be included in the minutes, and filed in the office of the county clerk as required by ST.C.A. 5-23-103?

For more information and COVID-19 resources, [click here](#).

If you have any additional considerations or concerns, please reach out to [your county government consultant](#) for assistance.