



PHILLIPS LYTLE LLP CLIENT ALERT

LABOR & EMPLOYMENT



JANUARY 2021

Federally Mandated Paid COVID-19 Leave Expired on December 31, 2020 – Employers May Continue to Provide Leave Voluntarily and Receive Tax Reimbursement Through March 31, 2021

As part of the Families First Coronavirus Response Act (FFCRA) enacted in March 2020, the Emergency Paid Sick Leave Act (EPSLA) and Emergency Family and Medical Leave Expansion Act (EFMLEA) required that employers with fewer than 500 employees provide employees with paid leave for certain COVID-19-related absences. The FFCRA also provided for employer tax credits for the employer's cost of providing paid leave taken under those laws. Of note, both the EPSLA and EFMLEA were temporary measures that expired on December 31, 2020, and as a result, employees are no longer entitled to additional leave under those statutes. However, the Consolidated Appropriations Act, 2021 extended the employer tax credits for leave voluntarily provided to employees under the EPSLA and EFMLEA until March 31, 2021. Thus, covered employers that voluntarily continue to provide paid leave under those

laws may continue to receive the federal tax credits for leaves taken until that date.

Although employers are no longer required to provide paid leave for COVID-19-related absences under federal law, New York State employers should remember that the New York COVID-19 Sick Leave Law remains in effect and requires that all employers in the State provide paid or unpaid leave, depending on the number of employees, for those employees subject to a COVID-19 mandatory or precautionary order of quarantine or isolation.

Additional Assistance

For questions regarding voluntary paid COVID-19 leave and tax reimbursement, please contact any of the attorneys on our [Labor & Employment Practice Team](#) or the [Phillips Lytle attorney](#) with whom you have a relationship. ■



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