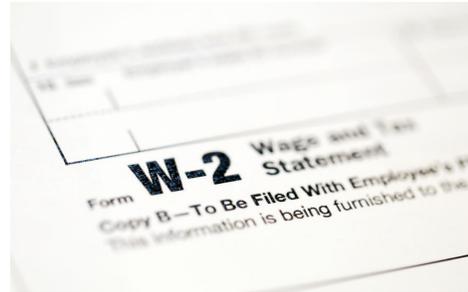


Employers Must Include FFCRA Paid Leave Wages on Form W-2

[Recent IRS guidance](#) requires that employers who have paid FFCRA qualified sick leave wages or qualified family leave wages must separately state each of these wage amounts either on Form W-2, Box 14, or on a separate statement. This information is needed for any employees who are also self-employed and plan to claim qualified sick leave equivalent credits or qualified family leave equivalent credits. Self-employed individuals must report any FFCRA qualified leave wages received from their employer on Form 7202 because any qualified sick leave equivalent credits or qualified family leave equivalent credits will be reduced by the FFCRA qualified leave wages received from their employer.



If employers choose to report this required information in a separate statement and the employee receives a paper Form W-2, then the statement must be included with the Form W-2 provided to the employee. However, if the employee receives an electronic Form W-2, then the statement must be provided in the same manner and at the same time as the Form W-2.

In addition to the required information that must be reported on Form W-2 or the separate statement, this guidance also includes additional model language that employers have the option to provide employees that explains the impact any qualified leave wages received will have if they are self-employed.

Employers subject to the FFCRA should already be accurately capturing qualified leave wages paid each quarter, as this information must be reported on their employment tax filings (Form 941, Form 943, Form 944, or Form CT-1). This new guidance will require an added level of complexity though, as it requires reporting on an individual employee level with additional details regarding the type of qualified sick leave wages depending on the applicable cap (\$511 per day or \$200 per day). Employers should work with their payroll vendors or in-house personnel to ensure they are ready to meet these new reporting requirements.

