**IRS Guidance on Reporting Emergency Paid Leave Wages**

On July 8, 2020, the Internal Revenue Service (IRS) released a [guidance](file:///C:\Users\Gerry\Desktop\guidance) document on reporting qualifying wages paid to employees under the Emergency Paid Sick Leave Act (EPSLA) and Emergency Family and Medical Leave Expansion Act (EFMLEA) which are part of the [Families First Coronavirus Response Act](https://ogletree.com/insights/the-families-first-coronavirus-response-act-faqs-the-fmla-amendments-and-paid-sick-leave-requirements-of-the-new-law/) (FFCRA).

The FFCRA requires employers with fewer than 500 employees to provide paid emergency sick and family leave to qualifying employees between April 1, 2020, and December 31, 2020.

The IRS guidance document states that FFCRA qualifying leave wages paid to employees must be added to the sum of wages reported in Boxes 1, 3 (as applicable), and 5 of Form W-2. Additionally, employers must separately report three categories of leave wages in Box 14 (or on a separate statement), identifying the categories the example language or similar language, as specified below:

**EPSLA sick leave wages paid to an employee because the employee:**

(1) “is subject to a Federal, State, or local quarantine or isolation order related to COVID-19”;

(2) “has been advised by a health care provider to self-quarantine due to concerns related to COVID-19”; or

(3) “is experiencing symptoms of COVID-19 and seeking a medical diagnosis.”

These wages must be reported using the language: “sick leave wages subject to the $511 per day limit.”

**EPSLA sick leave wages paid to an employee because the employee:**

(1) “is caring for an individual who is subject to a Federal, State, or local quarantine or isolation order related to COVID-19, or has been advised by a health care provider to self-quarantine due to concerns related to COVID-19”;

(2) “is caring for a son or daughter of such employee if the school or place of care … has been closed, or the child care provider … is unavailable, due to COVID-19 precautions”; or

(3) “is experiencing any other substantially similar condition specified by the Secretary of Health and Human Services in consultation with the Secretaries of the Treasury and Labor.”

These wages must be reported using the language: “sick leave wages subject to the $200 per day limit.”

**EFMLEA family leave wages**

Cannot work or telework due to having to care for their child (under eighteen years of age), if the child’s school or place of care has been closed, or the childcare provider\* is unavailable due to the COVID-19 public health emergency.

These wages must be reported using the language: “emergency family leave wages.”

The IRS Guidance document can be found at <https://www.irs.gov/pub/irs-drop/n-20-54.pdf>.