

## Example 1 – Joe’s Muffler Shop (8 Employees)

Specifics:

- Business has slowed and Joe told 6 mechanics not to come in on 3/20
- The mechanics have been using PTO
- Joe’s bookkeeper, Susie, cannot work or telework and is home taking care of her daughter for the last two weeks. The school closed due to COVID-19.

### Joe’s Muffler Shop - Options

- Susie: Can claim Sick Pay effective 4/1 along with ten additional weeks of Extended FMLA & Joe can claim payroll tax credit unless he does a lay-off.
- For all employees, Joe can:
  - Apply for SBA Paycheck Protection Program loan. Pay employees, rent, other specific expenses for eight weeks. Loan amounts can be forgiven  
--- OR ---
  - Continue to pay employees and delay paying all employer share of FICA taxes for 2020 – 50% due 12/31/21 and 50% due 12/31/22.  
--- OR ---
  - Lay-off all employees and employees can file for unemployment. They will be entitled to normal unemployment plus \$600/week.  
--- OR ---
  - Continue to pay employees and receive 50% credit of wages paid to employees. Credit is claimed through employer share of payroll taxes.

## Example 2 – Upstate Credit Union (60 Employees)

Specifics:

- 30 employees are working full-time operating the drive through.
- The other 30 employees have been using PTO for the past two weeks.
- None of the employees have been diagnosed with COVID-19 or are taking care of someone related to COVID-19.
- One teller has been on FMLA for 6 weeks related to maternity.
- Upstate has great employees and wants all of them to return when the credit union is in full operation.

### Upstate Credit Union - Options

- Currently Upstate does not have any employees eligible for Sick Pay or Extended FMLA
- For all employees, Upstate can:
  - Apply for SBA Paycheck Protection Program loan. Pay all employees, rent, other specific expenses for eight weeks. Loan amounts can be forgiven.  
--- OR ---
  - Continue to pay employees and delay paying all employer share of FICA taxes for 2020 – 50% due 12/31/21 and 50% due 12/31/22.  
--- OR ---
  - Lay-off the 30 employees that are not working, and employees can file for unemployment. They will be entitled to normal unemployment plus \$600/week.

### **Example 3 – Dana’s Dental (25 Employees)**

Specifics:

- Business was booming for Dana in Jan/Feb/early March of 2020.
- On 3/20/2020, all dental procedures not considered as emergency were stopped.
- Dana closes her office on 4/1 and refers all emergencies to another practice.

#### **Dana’s Dental - Options**

- None of the employees are eligible for Sick Pay or Extended FMLA
- For all employees, Dana can:
  - Apply for SBA Paycheck Protection Program loan. Pay all employees, rent, other specific expenses for eight weeks. Loan amounts can be forgiven.  
--- OR ---
  - Continue to pay employees and delay paying all employer share of FICA taxes for 2020 – 50% due 12/31/21 and 50% due 12/31/22.  
--- OR ---
  - Lay-off the employees and employees can file for unemployment. They will be entitled to normal unemployment plus \$600/week.  
--- OR ---
  - Continue to pay employees and receive 50% credit of wages paid to employees because of government suspension of operations. Credit is claimed through employer share of payroll taxes.

### **Example 4 – Leviathan Enterprises (777 Employees)**

Specifics:

- The company is operating but 100 employees were sent home two weeks ago due to business slow down.
- 5 employees requested Sick Leave and Extended FMLA because they are home taking care of children affected by COVID-19 and do not have other childcare options.

#### **Leviathan Enterprises- Options**

- None of the employees are eligible for Sick Pay or Extended FMLA
- For all employees, Leviathan can:
  - Continue to pay the 100 employees and delay paying all employer share of FICA taxes for 2020 – 50% due 12/31/21 and 50% due 12/31/22.  
--- OR ---
  - Lay-off the 100 employees and employees can file for unemployment. They will be entitled to normal unemployment plus \$600/week.  
--- OR ---
  - Leviathan Enterprises is not eligible for a Paycheck Protection Program loan

**\*\*Note: This is not legal advice. Please consult your attorney for guidance.**