

Voluntary Extension of the Families First Coronavirus Response Act

04/01/21

To incentivize employers to provide the Emergency Paid Sick Leave (EPSL) or paid expanded Family Law Medical Leave Act (FMLA) leave (previously required by the FFCRA) to eligible employees, the American Rescue Plan Act (ARPA) [extends the available tax credit for payments made for FFCRA leave](#) for six months, from March 31 through September 30, 2021.

ARPA also adds the following as qualifying reasons for employees to take FFCRA leave:

- the employee is obtaining immunization (vaccination) related to COVID-19
- the employee is recovering from a condition, illness or disability related to the vaccination
- the employee is seeking or awaiting the results of a COVID-19 test or diagnosis (including where the employer has requested the test or diagnosis)

ARPA provides that employers may voluntarily provide employees, in addition to any EPSL provided earlier, up to 80 hours of EPSL in the period from April through September 2021. The employer could utilize the corresponding tax credit.

The Act also increases the amount of wages for which an employer may claim the tax credit for paid expanded FMLA leave from \$10,000 to \$12,000 annually per employee. However, ARPA disqualifies employers from using the tax credit when they treat highly compensated employees, full-time employees or employees with more tenure differently under a voluntary paid sick leave plan.

If you are an employer with a question about the FFCRA or the ARPA, contact [Tracy Armstrong](#) or another member of the Wilentz [Employment Law](#) team.

Attorney

- Tracy Armstrong

Practice

- Employment Law