

NEWS BRIEF

Provided by: New England Employee Benefits Co., Inc.

President Biden Announces Tax Credit for Small Businesses Offering Paid Leave for Vaccination

Recently, President Joe Biden [issued a call](#) for employers to take additional steps to help get their employees and communities vaccinated against COVID-19.

As part of that effort, president Biden announced a paid leave tax credit for small- and medium-sized businesses. This credit will allow eligible employers to fully offset the cost of paid leave for employees to get vaccinated and recover from any after-effects of the vaccination.

Eligible employers include businesses and nonprofits with fewer than 500 employees. The credit will offset the cost of paid leave for each employee for up to two weeks (or 80 work hours) and up to \$511 per day of paid leave offered between April 1 and Sep. 30, 2021.

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According to the White House, this tax credit will apply to nearly half of all private sector employees in America.
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The credit will be funded by the recently passed American Rescue Plan Act.

Employer Takeaway

Employers should review how this tax credit may impact their organization. To learn more about eligibility for this tax credit, and how to claim the paid

leave credit on quarterly tax filings, employers can review [this fact sheet](#) from the Internal Revenue Service.

Additionally, the White House has asked employers to share how they are taking steps to get their employees and communities vaccinated. If interested, employers can access this form [here](#).

New England Employee Benefits Co., Inc. will keep you updated on any noteworthy developments.

