The Families First Coronavirus Response Act (United States) / Canada Economic Response Plan

Products

Sage 100 Contractor

Country

North America

Description

The recent outbreak of COVID-19 has disrupted the economy across North America and around the world. In response, governments have taken unprecedented measures to protect businesses and the livelihoods of employees, including:

- The Emergency Paid Sick Leave Act (United States)
- The CARES Act (United States)
- The Canada Emergency Wage Subsidy (Canada)

The Sage 100 Contractor team has determined a method by which your business can track pay for employees whose absences are covered by these COVID-19 measures.

Note: The procedures described in this article apply to all COVID-19 measures. If you have employees or situations covered by other COVID-related legislation, you can use the same method to tag those absences.

Disclaimer

Support

Sage Customer Support does not provide assistance for issues related to third party products or enhancements, hardware, report customizations, state or federal tax-related questions, or specific accounting questions. Please contact your Sage business partner, network administrator, or accountant for assistance. Please review this document for additional information on the scope of Sage Customer Support Services.

Cause

This article may be updated as governments pass laws related to COVID-19.

Resolution

Create new absence types:

1. Open the **5-2-2 Payroll Records** window.
2. In the grid:
   a. Make sure the **Absence** column is visible. (Show the column, if it is hidden.)
   b. In the **Absence** column, press **F6** or right-click in the column and then click **Display Detail/Add Record** from the shortcut menu.
   c. In the **Absence Reasons** window, add the absence types you need. The Absence# codes and descriptions can be anything that will help you identify what an absence is for. For example, you could add **101: COVID-Sick** and **102: COVID-Family Leave**. You will use these new absence types only on timecard lines for COVID-19 related absences.
   d. Close the **Absence Reasons** window, saving your changes when prompted.

Tag timecards lines as COVID-related absences

To tag lines as absences when entering a new timecard:

1. Open the **5-2-2 Payroll Records** window.
2. Select the affected employee and enter other timecard header information as usual.
3. In the **Timecard** grid, using a separate line for each day or partial day of COVID-related absence:
   a. Enter the date, day, description (as needed), as well as the pay type, pay rate, hours, and comp code, as usual.
   b. Tab to the **Absence** column, and then click the arrow to open the Lookup window.
   c. Select the new COVID-related absence type you need for reporting purposes.
   Caution! Do not override social security amounts, even if you are not liable to pay them. Doing so will cause errors in your payroll audit. Payroll will expense these amounts, job-cost them (as necessary), and post them to the tax liability account. If your tax liability is reduced by federal COVID-19 assistance, you can remove the excess liability by recording a journal transaction when you take the reduction (for example, when you pay your tax bill).
4. Save the payroll record.
5. Compute payroll as usual.

   Important! When entering payroll records for **SALARIED** employees, make sure that timecard entries account for ALL the hours in the pay period, including both times worked and COVID-related absences. For example, say that a weekly salaried employee normally works a five-day, 40-hour week. In this pay period, they worked Monday through Wednesday as usual, but on Thursday and Friday, they began a COVID-related absence. Their timecard for this pay period should use a minimum of three timecard lines:

   • One line for 24 hours with no rate and no entry in the **Absence** column to account for the time worked.
   • One line for Thursday with 8 Hours and a COVID-related absence type in the **Absence** column.
   • One line for Friday with 8 Hours and a COVID-related absence type in the **Absence** column.

   Note: We recommend that you do not sum absences for multiple days on a single timecard line. If your government requires you to report the exact number of days or weeks, this information will be harder to determine if absence days are combined.

Tagging existing timecard lines in computed payroll records

You can tag existing timecard lines as COVID-related absences even after posting payroll records. However, after computing a payroll record, you cannot add new lines.

Remittances to Governments

When you need to remit your employer contributions for social benefit taxes to the government, you will need to calculate and deduct the amounts for which you are not liable. You can use the new report that tells you the COVID-related absence hours and wages. If your tax liability is reduced by federal COVID-19 assistance, you can remove the excess liability by recording a journal transaction when you take the reduction (for example, when you pay your tax bill).

Need help?
Chat with support (https://chat.na.sage.com/sdcxuser/rrn/issue_new.asp?
Kernel::Kernel::sik_iss_type=ec7ecb20-40f2-43f5-9d0d-
9d128ac9423b&enforceRequestType=yes&lf=kbarticle&qd=Sage%20100%20Contractor%20Support)

Related resources

Query for Absence - for Families First Coronavirus

Category

Batches, entries, posting

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