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## Relief for Workers and Families Affected by the Coronavirus

### Unemployment Benefit Improvements

- Benefits are retroactive to January 27, 2020 for Coronavirus-related separations. • An additional \$600 per week payment is provided to each recipient of unemployment insurance for up to four months, through July 31, 2020.
  - This would be in addition to the standard UI benefits, so for example, the \$433 average weekly state benefit + \$600 weekly Federal benefit = \$1,033 weekly unemployment benefit. (In PA the maximum weekly benefit is \$573).
- An additional 13 weeks of unemployment benefits is provided through December 31, 2020 to help those who remain unemployed after state unemployment benefits are no longer available.

### Recovery Rebates for Individuals

- Maximum grant of \$1,200 (\$2,400 joint) per taxpayer, plus grant of \$500 per child.
- No phase-in or other limitation for low-income taxpayers.
- Cash grant tax rebate is treated as a fully refundable tax credit, therefore available to taxpayers with net negative income tax liability.
- Phases out by 5% of the excess of adjusted gross income over \$75,000 (\$150,000 joint), fully phased out at \$99,000 (\$198,000 joint) and Secretary may apply 2018 amounts to determine the phase-out.

### Paid Leave

- Generally, private sector employers with fewer than 500 employees must provide employees up to 80 hours of paid sick leave based on their regular rate of pay, paid at:
  - 100% for a Coronavirus-related illness, up to \$511 daily and \$5,110 total.
  - 2/3 to care for a family member affected by the Coronavirus, up to \$200 daily and \$2,000 total: and
    - Up to 12 weeks of paid sick leave and expanded family and medical leave paid at 2/3 to provide childcare for a child impacted by a school closure, for up to \$200 daily and \$10,000 total, provided the employee has been employed for at least 30 days prior to their leave request.

### Use of Retirement Funds

- Consistent with previous disaster-related relief, the provision waives the 10% early withdrawal penalties for distributions up to \$100,000 from qualified

retirement accounts for coronavirus-related purposes made on or after January 1, 2020. Further, the provision provides flexibility for loans from certain retirement plans for coronavirus-related relief. (This distribution is taxable but can be paid back over three years).

- The provision also waives the required minimum distribution rules for certain defined contribution plans and IRAs for calendar year 2020. This provision provides relief to individuals who would otherwise be required to withdraw funds from such retirement accounts during the economic shutdown due to COVID-19.