

# IRS Guidance on Reporting Emergency Paid Leave Wages

By Robert P. Roy, President/General Counsel  
Ventura County Agricultural Association

On July 8, 2020, the Internal Revenue Service released a Guidance for employers on reporting qualifying wages paid to employees under the Emergency Paid Sick Leave Act (EPSLA) and the Emergency Family and Medical Leave Expansion Act (EFMLEA). Both of these laws are part of the first phase of Coronavirus Congressional Legislation, Families First Coronavirus Response Act (FFCRA) passed on March 18, 2020. As we know, the FFCRA requires employers with 500 or fewer employees to provide Paid Emergency Sick and Extended Family Leave to qualifying employees between April 1, 2020, until December 31, 2020.

The IRS Guidance notes that the FFCRA qualifying leave wages paid to employees must be added to the sum of wages reported in Boxes 1, 3 (as applicable) and 5 on Form W-2. Additionally, employers must separately report three categories of leave wages in Box 14 (on a separate statement), labelling them using the model or similar language, as specified in the Guidance.

The IRS Guidance contains model language, which explains the type of FFCRA leave wages paid by an employer, as well as specific instructions for individuals with self-employment income.

Lastly, the IRS Guidance notes that if employers use a separate statement to report FFCRA leave wages, the statement must be included in the Form W-2 sent to the employee. Employees receiving an electronic Form W-2 must receive the separate statement electronically “in the same manner and at the same time as the Form W-2.” [\[For your convenience, a copy of the IRS Guidance is attached for your review.\]](#)