

April 23, 2021

Tax Credit Available for Small Businesses That Offer Vaccine Paid Time Off



Hannah Batsche

Human Resources & Employment

On Wednesday, President Biden detailed a plan that will allow small businesses to claim tax credits for giving paid time off to employees to get and recover from the COVID-19 vaccine.

Employers with fewer than 500 employees are eligible for the tax credit, which will offset the cost of paid time off for each employee up to 80 hours (i.e. 10 work days) up to \$511 per day of paid sick leave offered between April 1 and September 30, 2021.

This credit encourages employees to get vaccinated without any cost to the employer. Administration officials cited talks with businesses and polling that shows employees would be persuaded to get the vaccine if their employers provided access to shots. In fact, [according to news reports](#), 30% of unvaccinated employees say they are more likely to get shots if their employers offer incentives, while 80% say they want employers to give them paid time off for any potential recovery.

The IRS has released a [fact sheet](#) to educate employers on how to claim the paid sick leave credit on their quarterly tax filings.

Hopefully, providing incentives for employees to get vaccinated will get us all one step closer to “normal.” If you have questions regarding these tax credits, or any issues discussed in this article, please contact any of the attorneys in the [Human Resources and Employment Law Practice](#) at Gould & Ratner for further guidance.