



Congress Approves Coronavirus Relief Bill

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Early Saturday morning, the U.S. House voted overwhelmingly to approve H.R. 6201 - a bill to provide relief for workers impacted by the coronavirus. The bill passed by a large bi-partisan majority. Although the final text was not yet available (and corrections were made on Monday), the general parameters were known. The vote was 363-40. Both President Trump and Speaker Pelosi supported the legislation.

The bill would require employers with less than 500 employees to provide two work weeks of paid sick leave. Workers would qualify for the benefit if they are sick and have to be quarantined or treated for coronavirus, or if they have to leave their jobs to take care of a family member who has coronavirus.

Additionally, workers would also be eligible for paid sick leave if they have to stay home because they have a child whose school or childcare facility has closed due to the coronavirus. Family and medical leave for employers with less than 500 employees would be extended for 12 weeks.

To help small businesses impacted by this, the legislation gives employers a tax credit equal to 100 percent of paid sick leave wage benefits they have paid out. The tax credit is allowed against the tax imposed by section 3111(a) (the employer portion of Social Security taxes).

The Senate will now consider the House bill this week. Further, the Senate is discussing a more robust package, a so called "third" coronavirus bill. The bill could provide as much as \$1 trillion in stimulus. There are possible loan guarantees for impacted industries, and possible direct cash payments to workers. The Secretary of the Treasury announced that the April 15 deadline can be missed for tax payments with no penalties, for as much as 90 days. He also said the Federal Reserve will purchase as much as \$1 trillion in commercial paper to maintain liquidity.

The legislative situation is very fluid, but we expect the Senate will act quickly. TLTA is closely monitoring these developments and the national impact on the real estate market.

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