



The CARES Act allows employers to defer the *employer-paid* portion of Social Security taxes which would normally be deposited between March 27, 2020 and December 31, 2020. This relief also applies to the 50 percent of the Social Security portion of self-employment taxes for a self-employed individual.

The deferred deposits of the employer's share of Social Security tax must be remitted by the following dates to avoid penalties:

- On December 31, 2021, 50 percent of the deferred amount; and
- On December 31, 2022, the remaining amount.

Companies who are participating in the Paycheck Protection Program and are notified that some of their PPP loan will be forgiven are no longer be eligible to defer Social Security taxes due following this notification date. However, they may still defer deposit on the Social Security taxes otherwise due between March 27, 2020 and the date of the forgiveness notification until the dates noted above.

For more information, visit the IRS website:

<https://www.irs.gov/newsroom/deferral-of-employment-tax-deposits-and-payments-through-december-31-2020>

Contact your payroll provider if you wish to take advantage of this relief.