

WORKSHEET 1.**Determine how you will complete this worksheet**

If you paid both qualified sick and family leave wages and qualified wages for purposes of the employee retention credit this quarter, complete Step 1, Step 2, and Step 3. If you paid qualified sick and family leave wages this quarter but you didn't pay any qualified wages for purposes of the employee retention credit this quarter, complete Step 1 and Step 2. If you paid qualified wages for purposes of the employee retention credit this quarter but you didn't pay any qualified sick and family leave wages this quarter, complete Step 1 and Step 3.

Worksheet 1**Step 1. Determine the employer share of social security tax this quarter after it is reduced by any credit claimed on Form 8974 and any credit to be claimed on Form 5884-C**

1a Enter the amount of social security tax from Form 941, Part 1, line 5a, column 2	\$54,648.29
1b Enter the amount of social security tax from Form 941, Part 1, line 5b, column 2	
1c Add lines 1a and 1b	\$54,648.29
1d Multiply line 1c by 50% (0.50)	\$27,324.15
1e If you're a third-party payer of sick pay that isn't an agent and you're claiming credits for amounts paid to your employees, enter the employer share of social security tax included on Form 941, Part 1, line 8 (enter as a positive number)	
1f Subtract line 1e from line 1d	\$27,324.15
1g If you received a Section 3121(q) Notice and Demand during the quarter, enter the amount of the employer share of social security tax from the notice	
1h Employer share of social security tax. Add lines 1f and 1g	\$27,324.15
1i Enter the amount from Form 941, Part 1, line 11a	\$0.00
1j Enter the amount to be claimed on Form 5884-C, line 11, for this quarter	\$0.00
1j(i) Enter the amount to be claimed on Form 5884-D, line 12, for this quarter .	\$0.00
1k Total nonrefundable credits already used against the employer share of social security tax. Add lines 1i, 1j, and 1j(i)	\$0.00
1l Employer share of social security tax remaining. Subtract line 1k from line 1h	\$27,324.15

Step 2. Figure the sick and family leave credit

2a Qualified sick leave wages reported on Form 941, Part 1, line 5a(i), column 1	\$9,288.00
2a(i) Qualified sick leave wages included on Form 941, Part 1, line 5c, but not included on Form 941, Part 1, line 5a(i), column 1, because the wages reported on that line were limited by the social security wage base	
2a(ii) Total qualified sick leave wages. Add lines 2a and 2a(i)	\$9,288.00
2a(iii) Qualified sick leave wages excluded from the definition of employment under section 3121(b)	
2b Qualified health plan expenses allocable to qualified sick leave wages (Form 941, Part 3, line 19)	\$1,875.00
2c Employer share of Medicare tax on qualified sick leave wages. Multiply line 2a(ii) by 1.45% (0.0145)	\$134.68
2d Credit for qualified sick leave wages. Add lines 2a(ii), 2a(iii), 2b, and 2c	\$11,297.68
2e Qualified family leave wages reported on Form 941, Part 1, line 5a(ii), column 1	\$18,000.00
2e(i) Qualified family leave wages included on Form 941, Part 1, line 5c, but not included on Form 941, Part 1, line 5a(ii), column 1, because the wages reported on that line were limited by the social security wage base	
2e(ii) Total qualified family leave wages. Add lines 2e and 2e(i)	\$18,000.00
2e(iii) Qualified family leave wages excluded from the definition of employment under section 3121(b)	
2f Qualified health plan expenses allocable to qualified family leave wages (Form 941, Part 3, line 20)	\$8,750.00
2g Employer share of Medicare tax on qualified family leave wages. Multiply line 2e(ii) by 1.45% (0.0145)	\$261.00
2h Credit for qualified family leave wages. Add lines 2e(ii), 2e(iii), 2f, and 2g	\$27,011.00
2i Credit for qualified sick and family leave wages. Add lines 2d and 2h	\$38,308.68
2j Nonrefundable portion of credit for qualified sick and family leave wages. Enter the smaller of line 1l or line 2i. Enter this amount on Form 941, Part 1, line 11b	\$27,324.15
2k Refundable portion of credit for qualified sick and family leave wages. Subtract line 2j from line 2i and enter this amount on Form 941, Part 1, line 13c	\$10,984.53

Step 3. Figure the employee retention credit

3a Qualified wages (excluding qualified health plan expenses) for the employee retention credit (Form 941, Part 3, line 21)	
3b Qualified health plan expenses allocable to qualified wages for the employee retention credit (Form 941, Part 3, line 22)	
3c Add lines 3a and 3b	
3d Retention credit. Multiply line 3c by 70% (0.70)	
3e Enter the amount of the employer share of social security tax from Step 1, line 1l	
3f Enter the amount of the nonrefundable portion of the credit for qualified sick and family leave wages from Step 2, line 2j	
3g Subtract line 3f from line 3e	
3h Nonrefundable portion of employee retention credit. Enter the smaller of line 3d or line 3g. Enter this amount on Form 941, Part 1, line 11c	
3i Refundable portion of employee retention credit. Subtract line 3j from line 3f and enter this amount on Form 941, Part 1, line 13d	