

Worksheet 1. Credit for Qualified Sick and Family Leave Wages for Leave Taken Before April 1, 2021

Determine how you will complete this worksheet. (If you're a third-party payer, you must complete this worksheet for each client for which it is applicable, on a client-by-client basis.)

If you paid qualified sick leave wages and/or qualified family leave wages this quarter for leave taken before April 1, 2021, complete Step 1 and Step 2. **Caution:** Use Worksheet 3 to figure the credit for qualified sick and family leave wages for leave taken after March 31, 2021.

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 and/or Form 5884-D	
1a	Enter the amount of social security tax from Form 941, Part 1, line 5a , column 2 1a _____
1b	Enter the amount of social security tax from Form 941, Part 1, line 5b , column 2 1b _____
1c	Add lines 1a and 1b 1c _____
1d	Multiply line 1c by 50% (0.50) 1d _____
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) 1e _____
1f	Subtract line 1e from line 1d 1f _____
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 1g _____
1h	Employer share of social security tax. Add lines 1f and 1g 1h _____
1i	Enter the amount from Form 941, Part 1, line 11a (credit from Form 8974) 1i _____
1j	Enter the amount to be claimed on Form 5884-C, line 11, for this quarter 1j _____
1j(i)	Enter the amount to be claimed on Form 5884-D, line 12, for this quarter 1j(i) _____
1k	Total nonrefundable credits already used against the employer share of social security tax. Add lines 1i, 1j, and 1j(i) 1k _____
1l	Employer share of social security tax remaining. Subtract line 1k from line 1h 1l _____
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 2a _____
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(i) _____
2a(ii)	Total qualified sick leave wages. Add lines 2a and 2a(i) 2a(ii) _____
2a(iii)	Qualified sick leave wages excluded from the definition of employment under sections 3121(b)(1)-(22) 2a(iii) _____
2b	Qualified health plan expenses allocable to qualified sick leave wages (Form 941, Part 3, line 19) 2b _____
2c	Employer share of Medicare tax on qualified sick leave wages. Multiply line 2a(ii) by 1.45% (0.0145) 2c _____
2d	Credit for qualified sick leave wages. Add lines 2a(ii), 2a(iii), 2b, and 2c 2d _____
2e	Qualified family leave wages reported on Form 941, Part 1, line 5a(ii) , column 1 2e _____
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(i) _____
2e(ii)	Total qualified family leave wages. Add lines 2e and 2e(i) 2e(ii) _____
2e(iii)	Qualified family leave wages excluded from the definition of employment under sections 3121(b)(1)-(22) 2e(iii) _____
2f	Qualified health plan expenses allocable to qualified family leave wages (Form 941, Part 3, line 20) 2f _____
2g	Employer share of Medicare tax on qualified family leave wages. Multiply line 2e(ii) by 1.45% (0.0145) 2g _____
2h	Credit for qualified family leave wages. Add lines 2e(ii), 2e(iii), 2f, and 2g 2h _____
2i	Credit for qualified sick and family leave wages. Add lines 2d and 2h 2i _____
2j	Nonrefundable portion of credit for qualified sick and family leave wages for leave taken before April 1, 2021. Enter the smaller of line 1l or line 2i. Enter this amount on Form 941, Part 1, line 11b 2j _____
2k	Refundable portion of credit for qualified sick and family leave wages for leave taken before April 1, 2021. Subtract line 2j from line 2i and enter this amount on Form 941, Part 1, line 13c 2k _____

Worksheet 2. Employee Retention Credit for the Second Quarter of 2021 Only (Wages Paid After March 31, 2021, and Before July 1, 2021)

Determine how you will complete this worksheet. (If you're a third-party payer, you must complete this worksheet for each client for which it is applicable, on a client-by-client basis.)

If you paid qualified wages after March 31, 2021, and before July 1, 2021, for purposes of the employee retention credit, complete Step 1 and Step 2. If you're claiming a credit for qualified sick and family leave wages in the second quarter of 2021 for leave taken before April 1, 2021, complete Worksheet 1 before starting this worksheet. **Caution:** Use Worksheet 4 to figure the employee retention credit for qualified wages paid in the third and fourth quarters of 2021.

Step 1.		Determine the employer share of social security tax for the second quarter of 2021 after it is reduced by any credit claimed on Form 8974 and any credit to be claimed on Form 5884-C and/or Form 5884-D	
1a	If you completed Worksheet 1 for the second quarter of 2021 to claim a credit for qualified sick and family leave wages for leave taken before April 1, 2021, enter the amount from Worksheet 1, Step 1, line 1l, and go to Step 2. If you're not claiming a credit for qualified sick and family leave wages for leave taken before April 1, 2021, continue by completing lines 1b–1n below and then go to Step 2	1a	_____
1b	Enter the amount of social security tax from Form 941, Part 1, line 5a , column 2	1b	_____
1c	Enter the amount of social security tax from Form 941, Part 1, line 5b , column 2	1c	_____
1d	Add lines 1b and 1c	1d	_____
1e	Multiply line 1d by 50% (0.50)	1e	_____
1f	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	_____
1g	Subtract line 1f from line 1e	1g	_____
1h	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	_____
1i	Employer share of social security tax. Add lines 1g and 1h	1i	_____
1j	Enter the amount from Form 941, Part 1, line 11a (credit from Form 8974)	1j	_____
1k	Enter the amount to be claimed on Form 5884-C, line 11, for this quarter	1k	_____
1l	Enter the amount to be claimed on Form 5884-D, line 12, for this quarter	1l	_____
1m	Total nonrefundable credits already used against the employer share of social security tax. Add lines 1j, 1k, and 1l	1m	_____
1n	Employer share of social security tax remaining. Subtract line 1m from line 1i	1n	_____
Step 2.		Figure the employee retention credit for the second quarter of 2021	
Caution: The total amount included on lines 2a and 2b can't exceed \$10,000 per employee.			
2a	Qualified wages (excluding qualified health plan expenses) for the employee retention credit (Form 941, Part 3, line 21)	2a	_____
2b	Qualified health plan expenses allocable to qualified wages for the employee retention credit (Form 941, Part 3, line 22)	2b	_____
2c	Add lines 2a and 2b	2c	_____
2d	Retention credit. Multiply line 2c by 70% (0.70)	2d	_____
2e	Enter the amount of the employer share of social security tax from Step 1, line 1a, or, if applicable, Step 1, line 1n	2e	_____
2f	Enter any second quarter amount of the nonrefundable portion of the credit for qualified sick and family leave wages for leave taken before April 1, 2021, from Worksheet 1, Step 2, line 2j	2f	_____
2g	Subtract line 2f from line 2e	2g	_____
2h	Nonrefundable portion of employee retention credit. Enter the smaller of line 2d or line 2g. Enter this amount on Form 941, Part 1, line 11c	2h	_____
2i	Refundable portion of employee retention credit. Subtract line 2h from line 2d and enter this amount on Form 941, Part 1, line 13d	2i	_____

Worksheet 3. Credit for Qualified Sick and Family Leave Wages for Leave Taken After March 31, 2021

Determine how you will complete this worksheet. (If you're a third-party payer, you must complete this worksheet for each client for which it is applicable, on a client-by-client basis.)

If you paid qualified sick leave wages and/or qualified family leave wages this quarter for leave taken after March 31, 2021, complete Step 1 and Step 2. **Caution:** Use Worksheet 1 to figure the credit for qualified sick and family leave wages for leave taken before April 1, 2021.

Step 1. Determine the employer share of Medicare tax		
1a	Enter the amount of Medicare tax from Form 941, Part 1, line 5c , column 2	1a _____
1b	Multiply line 1a by 50% (0.50)	1b _____
1c	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 Medicare tax included on Form 941, Part 1, line 8 (enter as a positive number)	1c _____
1d	Subtract line 1c from line 1b	1d _____
1e	If you received a Section 3121(q) Notice and Demand during the quarter, enter the amount of the employer share of Medicare tax from the notice	1e _____
1f	Employer share of Medicare tax. Add lines 1d and 1e	1f _____
Step 2. Figure the sick and family leave credit		
2a	Qualified sick leave wages for leave taken after March 31, 2021 (Form 941, Part 3, line 23)	2a _____
2a(i)	Qualified sick leave wages included on Form 941, Part 3, line 23, that were not included as wages reported on Form 941, Part 1, lines 5a and 5c, because the qualified sick leave wages were excluded from the definition of employment under sections 3121(b)(1)–(22)	2a(i) _____
2a(ii)	Subtract line 2a(i) from line 2(a)	2a(ii) _____
2a(iii)	Qualified sick leave wages included on Form 941, Part 3, line 23, that were not included as wages reported on Form 941, Part 1, line 5a, because the qualified sick leave wages were limited by the social security wage base	2a(iii) _____
2a(iv)	Subtract line 2a(iii) from line 2a(ii)	2a(iv) _____
2b	Qualified health plan expenses allocable to qualified sick leave wages for leave taken after March 31, 2021 (Form 941, Part 3, line 24)	2b _____
2c	Amounts under certain collectively bargained agreements allocable to qualified sick leave for leave taken after March 31, 2021 (Form 941, Part 3, line 25)	2c _____
2d	Employer share of social security tax on qualified sick leave wages. Multiply line 2a(iv) by 6.2% (0.062)	2d _____
2e	Employer share of Medicare tax on qualified sick leave wages. Multiply line 2a(ii) by 1.45% (0.0145)	2e _____
2f	Credit for qualified sick leave wages. Add lines 2a, 2b, 2c, 2d, and 2e	2f _____
2g	Qualified family leave wages for leave taken after March 31, 2021 (Form 941, Part 3, line 26)	2g _____
2g(i)	Qualified family leave wages included on Form 941, Part 3, line 26, that were not included as wages reported on Form 941, Part 1, lines 5a and 5c, because the qualified family leave wages were excluded from the definition of employment under sections 3121(b)(1)–(22)	2g(i) _____
2g(ii)	Subtract line 2g(i) from line 2(g)	2g(ii) _____
2g(iii)	Qualified family leave wages included on Form 941, Part 3, line 26, that were not included as wages reported on Form 941, Part 1, line 5a, because the qualified family leave wages were limited by the social security wage base	2g(iii) _____
2g(iv)	Subtract line 2g(iii) from line 2g(ii)	2g(iv) _____
2h	Qualified health plan expenses allocable to qualified family leave wages for leave taken after March 31, 2021 (Form 941, Part 3, line 27)	2h _____
2i	Amounts under certain collectively bargained agreements allocable to qualified family leave for leave taken after March 31, 2021 (Form 941, Part 3, line 28)	2i _____
2j	Employer share of social security tax on qualified family leave wages. Multiply line 2g(iv) by 6.2% (0.062)	2j _____
2k	Employer share of Medicare tax on qualified family leave wages. Multiply line 2g(ii) by 1.45% (0.0145)	2k _____
2l	Credit for qualified family leave wages. Add lines 2g, 2h, 2i, 2j, and 2k	2l _____
2m	Credit for qualified sick and family leave wages. Add lines 2f and 2l	2m _____
2n	For second quarter of 2021 only. enter any employee retention credit claimed under section 2301 of the CARES Act (from Worksheet 2, line 2d) with respect to any wages taken into account for the credit for qualified sick and family leave wages for the quarter	2n _____
2o	Enter any credit claimed under section 41 for increasing research activities with respect to any wages taken into account for the credit for qualified sick and family leave wages	2o _____
2p	Add lines 2n and 2o	2p _____
2q	Credit for qualified sick and family leave wages after adjusting for other credits. Subtract line 2p from line 2m	2q _____
2r	Nonrefundable portion of credit for qualified sick and family leave wages for leave taken after March 31, 2021. Enter the smaller of line 1f or line 2q. Enter this amount on Form 941, Part 1, line 11d	2r _____
2s	Refundable portion of credit for qualified sick and family leave wages for leave taken after March 31, 2021. Subtract line 2r from line 2q and enter this amount on Form 941, Part 1, line 13e	2s _____

Worksheet 4. Employee Retention Credit for Third and Fourth Quarters of 2021 Only (Qualified Wages Paid After June 30, 2021)

Determine how you will complete this worksheet. (If you're a third-party payer, you must complete this worksheet for each client for which it is applicable, on a client-by-client basis.)

If you paid qualified wages after June 30, 2021, for purposes of the employee retention credit, complete Step 1 and Step 2. If you're claiming a credit for qualified sick and family leave wages in this quarter for leave taken after March 31, 2021, complete Worksheet 3 before starting this worksheet.

Caution: Use Worksheet 2 to figure the employee retention credit for qualified wages paid in the second quarter of 2021.

Step 1. Determine the employer share of Medicare tax

- 1a If you completed Worksheet 3 to claim a credit for qualified sick and family leave wages for leave taken after March 31, 2021, enter the amount from Worksheet 3, Step 1, line 1f, and go to Step 2. If you're not claiming a credit for qualified sick and family leave wages for leave taken after March 31, 2021, continue by completing lines 1b–1g below and then go to Step 2 1a _____
- 1b Enter the amount of Medicare tax from Form 941, Part 1, [line 5c](#), column 2 1b _____
- 1c Multiply line 1b by 50% (0.50) 1c _____
- 1d 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 Medicare tax included on Form 941, Part 1, [line 8](#) (enter as a positive number) 1d _____
- 1e Subtract line 1d from line 1c 1e _____
- 1f If you received a Section 3121(q) Notice and Demand during the quarter, enter the amount of the employer share of Medicare tax from the notice 1f _____
- 1g **Employer share of Medicare tax.** Add lines 1e and 1f 1g _____

Step 2. Figure the employee retention credit

Caution: The total amount included on lines 2a and 2b can't exceed \$10,000 per employee each quarter.

- 2a Qualified wages (excluding qualified health plan expenses) for the employee retention credit (Form 941, Part 3, [line 21](#)) 2a _____
- 2b Qualified health plan expenses allocable to qualified wages for the employee retention credit (Form 941, Part 3, [line 22](#)) 2b _____
- 2c Add lines 2a and 2b 2c _____
- 2d **Retention credit.** Multiply line 2c by 70% (0.70). If you qualify for the employee retention credit **solely** because your business is a recovery startup business, don't enter more than \$50,000 per quarter 2d _____
- 2e Enter the amount of the employer share of Medicare tax from Step 1, line 1a, or, if applicable, Step 1, line 1g 2e _____
- 2f Enter any amount of the nonrefundable portion of the credit for qualified sick and family leave wages for leave taken after March 31, 2021, from Worksheet 3, Step 2, line 2r 2f _____
- 2g Subtract line 2f from line 2e 2g _____
- 2h **Nonrefundable portion of employee retention credit.** Enter the smaller of line 2d or line 2g. Enter this amount on Form 941, Part 1, line 11c 2h _____
- 2i **Refundable portion of employee retention credit.** Subtract line 2h from line 2d and enter this amount on Form 941, Part 1, line 13d 2i _____

Determine how you will complete this worksheet. (If you're a third-party payer, you must complete this worksheet for each client for which it is applicable, on a client-by-client basis. If you're a third-party payer that is treated as the person to whom premiums are payable, you must complete this worksheet for yourself as well.)

If you provided COBRA premium assistance in the quarter, complete Step 1 and Step 2. If you're claiming the credit for qualified sick and family leave wages this quarter for leave taken after March 31, 2021, complete Worksheet 3 before starting this worksheet. If you're claiming this credit for the third or fourth quarter of 2021 and you are also claiming an employee retention credit for wages paid in the same quarter of 2021, complete Worksheet 4 before starting this worksheet.

Step 1. Determine the employer share of Medicare tax

- 1a If you completed Worksheet 3 or Worksheet 4, enter the amount listed on Worksheet 3, line 1f, or Worksheet 4, line 1a or 1g (as applicable). If you're not claiming either of these credits this quarter, continue by completing lines 1b–1g below and then go to Step 2 1a _____
- 1b Enter the amount of Medicare tax from Form 941, Part 1, line 5c, column 2 1b _____
- 1c Multiply line 1b by 50% (0.50) 1c _____
- 1d 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 Medicare tax included on Form 941, Part 1, line 8 (enter as a positive number) 1d _____
- 1e Subtract line 1d from line 1c 1e _____
- 1f If you received a Section 3121(q) Notice and Demand during the quarter, enter the amount of the employer share of Medicare tax from the notice 1f _____
- 1g **Employer share of Medicare tax.** Add lines 1e and 1f 1g _____

Step 2. Figure the COBRA premium assistance credit

- 2a Enter the COBRA premium assistance that you provided this quarter 2a _____
- 2b Enter the amount of the employer share of Medicare tax from Step 1, line 1a, or, if applicable, Step 1, line 1g 2b _____
- 2c Enter any amount of the nonrefundable portion of the credit for qualified sick and family leave wages for leave taken after March 31, 2021, from Worksheet 3, Step 2, line 2r 2c _____
- 2d Enter any amount of the nonrefundable portion of the employee retention credit from Worksheet 4, Step 2, line 2h 2d _____
- 2e **Other nonrefundable credits used against the employer share of Medicare tax.** Add lines 2c and 2d 2e _____
- 2f Subtract line 2e from line 2b 2f _____
- 2g **Nonrefundable portion of the COBRA premium assistance credit.** Enter the smaller of line 2a or line 2f. Enter this amount on Form 941, Part 1, line 11e 2g _____
- 2h **Refundable portion of the COBRA premium assistance credit.** Subtract line 2g from line 2a and enter this amount on Form 941, Part 1, line 13f 2h _____