Calculating PUA for Independent Contractors
The CARES Act Quick Takes

- The Pandemic Unemployment Assistance (PUA) Weekly Benefit is calculated as set forth in 20 C.F.R. 625.6 and is increased by the $600 Federal Pandemic Unemployment Compensation (FPUC) payment for the eligible period of March 29 – July 31.

- 20 C.F.R. 625.6(a)(2) states that “The self-employment income to be treated as wages for the purposes of computing the weekly amount ... shall be the net income reported on the tax return of the individual as income from all self-employment....”
  - Example: Claimant has $40,000 net income. Divide $40,000 by 2080 (work hours in a year) = $19.23 hourly rate. $19.23 x 40 hours for a work week = $769.20 per week. This amount may be limited by a maximum established by the state. FPUC amount of $600 would automatically be added for March 29-July 31.

- If the individual has no net income from self-employment, they are entitled to a weekly amount equal to 50% of the average weekly payment of regular compensation in the state.
  - Example: State average is $250. Claimant would be entitled to $125 per week. FPUC amount of $600 would automatically be added for March 29-July 31.

For more information, visit:
https://www.dol.gov/coronavirus/unemployment-insurance