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The independent supermarket industry employs nearly a million workers, most of whom are on the frontline selflessly serving the nation during the COVID-19 pandemic. These essential workers are fighting a war against the coronavirus at great personal cost to ensure that our food supply chain continues to operate for the benefit of all Americans. These workers are choosing to serve their communities even as they face serious challenges associated with leaving their home during this uncertain time, such as lack of childcare, transportation, health concerns, and exhaustion. Although grocers across the nation have increased pay to their workers in the form of higher wages and bonuses, these workers deserve to be recognized by the federal government for their service to keep hungry Americans fed.

Background:

The American public overwhelmingly supports offering temporary tax relief to essential frontline workers in the supermarket industry. In a recent poll of nearly 2,000 registered voters from the International Dairy Foods Association conducted by Morning Consult, **eight in ten registered voters support providing food supply chain workers—grocery store workers (81%), agricultural and food production workers (79%) temporary tax relief during the coronavirus pandemic.**

Position:

As Congress considers additional legislation to address the COVID-19 crisis, NGA urges Members of Congress to include provisions that recognize and reward the ongoing contributions that all “critical infrastructure industry” employees are making to ensure public health and safety, safeguard the economy, and protect national security. We request that Congress pass legislation that offers food sector employees a tax benefit that acknowledges their dedication and self-sacrifice. Specifically, frontline employees should receive tax benefits that exempts them from payroll taxes and excludes earnings made during the pandemic from the employee’s gross income tax calculation. This approach would be modeled on existing policies that pay our military enlisted personnel during times of war and would be easy for employers to administer payroll check processing.

NGA supports legislation that includes temporary rewards for essential frontline workers such as:

- Payroll and income tax relief to workers for work performed between February 15, 2020 and a future date, subject to a discretionary extension by the Secretary of the Treasury.
- Suspension of federal income taxes for frontline workers.
- Suspension of payroll taxes for frontline workers earning less than \$75,000 per year.

