

IRS Guidelines: Explaining Full Time Employee (FTE) Limitations

What is an FTE?

- The term "full-time employee" refers to an employee who, in any given calendar month of 2019, had an average of **at least 30 hours of service** per week or **130 hours of service in that month** (equivalent to at least 30 hours per week).
- For an employer that operated throughout the entire 2019 calendar year, the number of full-time employees is calculated by **adding the number of full-time employees** in each calendar month of 2019 and **dividing that total by 12**.

2020 & 2021 Thresholds



Business with 100 or fewer full-time employees.



Business with 500 or fewer full-time employees.

Considerations

- For members of an aggregated group, all entities are **treated as a single employer** and must combine their average number of FTE employees in 2019
- For over **100 Employees (2020)** and over **500 Employees (2021)** you are considered a Large Employer and BLC does support these filings.