

CORONAVIRUS RELIEF PROGRAMS--July 6, 2020

Those most relevant to small business owners

<u>Program</u>	<u>Benefits</u>	<u>Eligibility</u>	<u>Criteria</u>
Paycheck Protection Program (PPP) Search www.sba.gov . PPP revised 7-1-20	Incentive to keep workers on payroll. Loan forgiven for 8 weeks payroll if same # ee's kept; 24 wks to spend by 12/31/20 Loan used for payroll, rent, mortgage interest, or utilities. Loan deferred for six months. Two year maturity at 1.0% interest.	Businesses <500 employees, Sole proprietors, Independent contractors, Self-employed persons, Seasonal employers, Private non-profit organizations, Veterans 501(c)(19) orgs.	Apply by 8-8-20 thru any SBA 7(a) lender. No collateral. No personal guaranty 60% must be used for payroll Must maintain headcount quickly rehire workers.
Economic Injury Disaster Loan (EIDL) Emergency Advance Program re-opened 06-16-2020 Search www.sba.gov . or go to: https://www.sba.gov/disaster-assistance/coronavirus-covid-19#/	EIDL loan advance of up to \$10,000. Loan advance will not have to be repaid. Maximum is \$1,000 per employee. Regular EIDL loans up to \$2,000,000 also available.	Businesses <500 employees, Sole proprietors, Independent contractors, Self-employed persons, private non-profit organizations, Veterans 501(c)(19) orgs.	Apply thru SBA website. To be considered for \$10k forgivable loan advance, must apply for EIDL.
Federal Pandemic Unemployment Compensation (if you as small business owner need to layoff employees)	13 weeks on top of state benefits. \$600 per week on top of state ben.	Employees. Self-employed individuals. Independent contractors.	Apply at the State unemployment office.
Employer Retention Credit-Sec. 2301 https://www.irs.gov/newsroom/faqs-employee-retention-credit-under-the-cares-act	50% of payroll as credit to payroll taxes. otherwise owed. Applies to payroll up to \$5,000/ee until 12/31/20.	Not eligible for PPP recipients. Ops fully or partially suspended due to govt order or receipts 50% less than same quarter last year.	File IRS Form 7200. Not available on same wages getting other tax credits, such as Paid Family and Medical Leave.
Employer Payroll Tax Deferral-Sec.2302 www.irs.gov/pub/irs-drop/n-20-20.pdf	Defer payment of employer's Soc. Sec. tax due 3/27/20-12/31/20. Repay deferral at 50% by 12/31/21 and 50% balance by 12/31/22.	Not eligible for PPP recipients. Not eligible for users of Form 7200. Self-employed persons can defer 59% of self-employment tax.	See IRS Notice 2020-22, Relief from Penalty for Failure to Deposit Employment Taxes.
Small Business Relief Fund by City of San Diego Closed, pending new funding https://www.sandiego.gov/form/small-business-relief-fund-application	\$6.1 million available. Loans and grants from \$10-20,000.	Businesses <100 employees Chain stores and chain restaurants not eligible, even if owned by franchisee. Non-profits not eligible.	Apply San Diego Economic Dev. Dept. Apps so far exceed loan capacity, but apps still being taken.
SBA Express Bridge Loan (EBL) Search www.sba.gov .	Up to \$25,000; apply before 9/30/20 7 year max. term at Prime +6.5% Use to support survival of the bus.	Businesses <500 employees Ineligible for non-Federal loan w/o SBA assistance.	Apply to SBA Express Lender with Form 2424. Must be current client. Last resort loan.
SBA Debt Relief Search www.sba.gov .	SBA pays principal, interest, fees up to 6 mos. on current and new 7(a), 504, and microloans	Current SBA borrowers New borrowers prior to 9/27/20	Automatic deferral. Contact your Servicing Center to confirm deferral.
CDC Small Business Finance COVID 19 Community Advantage Contact Miriam Torres Baltys at mbaltys@cdcloans.com	Loans up to \$150,000 @6-8% 10-year term; no prepayment penalty 6 months interest only 2-week turnaround	Business must be open and operating as of 12/31/19.	FICO score of 680 or higher No bankruptcy in past 3 years
State of CA programs www.covid19.ca.gov Click on Businesses & Employers	Delay up to \$50K sales tax-12 mos., 0%. Loan Guarantee Program 60-day delay to file & pay CA payroll tax	Bus. With <\$5 mil. taxable sales Firms not qualified for Fed. funds	
Additional Resources--list of CA and Federal programs not described above: https://www.sandiego.gov/economic-development/resources/relief			