

TAKING ADVANTAGE OF CARES ACT PROVISIONS

FREE \$	DOES THIS APPLY TO ME?	HOW TO PURSUE IT
EIDL/EEIG GRANT	<ul style="list-style-type: none"> • Had to be in business as of 1/31/20 • Review application to make sure you're not excluded (download pdf) • Had to be harmed by Covid or imminent harm is obvious • If eligible, entitled to grant even if you don't get or accept loan 	<ul style="list-style-type: none"> • Download pdf and fill out so you're ready to apply • Keep your eye on SBA application portal https://covid19relief.sba.gov • Apply immediately when it opens
PPP	<ul style="list-style-type: none"> • Had to be in business as of 2/15/20 • Review application to make sure you're not excluded https://www.sba.gov/document/sba-form--paycheck-protection-program-borrower-application-form • Need to be able to document income from business • Find lender accepting applications → your bank or online • Make sure you can use it in a way that will make it forgivable 	<ul style="list-style-type: none"> • Assess whether you can get employees rehired if you get the loan • Download and fill out application • Round up payroll documentation • Contact your bank • Look at other lenders • Apply ASAP
UNEMPLOYMENT COMPENSATION	<ul style="list-style-type: none"> • Self-employed and 1099 employees now eligible • Even if income is insufficient, may be eligible for \$600/wk enhanced benefits 	<ul style="list-style-type: none"> • Check the website for your state unemployment compensation agency
NET OPERATING LOSS REFUND	<ul style="list-style-type: none"> • If you had a loss in 2019 AND had taxable income in one of the prior 5 years • If you suffer a loss in 2020, will be able to use this to get a refund of income tax from prior years 	<ul style="list-style-type: none"> • Check with your accountant to see if this applies to you • File 2019 tax return now • File form 1139 for an expedited refund of tax paid in a prior year
SBA LOAN RELIEF	<ul style="list-style-type: none"> • If you are currently paying off an SBA loan (7(a), 504 or microloan) • OR if you need and qualify for one of these SBA loans and receive it by 9/27/20 • SBA will pay 6 months of payments for you 	<ul style="list-style-type: none"> • This should be automatic but check with your lender
KEEP \$ IN YOUR POCKET	DOES THIS APPLY TO ME?	HOW TO PURSUE IT
INCOME TAX & ESTIMATED INCOME TAXES ARE DEFERRED	<ul style="list-style-type: none"> • Date for filing federal 2019 annual income tax return with IRS automatically moved to July 15 • Dates for filing federal estimated income taxes in April and June also automatically moved to July 15 • Check to see if your state has also moved income tax date 	<ul style="list-style-type: none"> • If you are due a refund, file now • Make a plan to be ready to file in July • File state taxes when due • You can still get an extension to October but payments are due July 15
EMPLOYER MATCHING PAYROLL TAX DEFERRAL	<ul style="list-style-type: none"> • Employers may defer the employer's share (6.2%) of FICA through the end of 2020 • Applies to self-employed persons as well • If you get a PPP loan, must stop deferring once you get a decision that it is forgiven 	<ul style="list-style-type: none"> • Talk to your accountant about whether this applies to you and for help filing • Alternatively, check with payroll processing company

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FAMILIES FIRST TAX CREDIT	<ul style="list-style-type: none"> • If you or an employee cannot work due to qualifying coronavirus-related events, you may pay yourself or your employees for the covered period and the government will reimburse you • Applies if you or an employee <ul style="list-style-type: none"> ○ Had or potentially had virus ○ Had to care for a family member who did ○ Had to care for a child displaced from child care or school 	<ul style="list-style-type: none"> • Check with your accountant for advice on how to do this • Take a credit for the wages paid against your quarterly payroll tax filings • Use form 7200 to request an advance if credits exceed taxes due • Don't include any wages to which this applies in PPP calculations
EMPLOYEE RETENTION TAX CREDIT	<ul style="list-style-type: none"> • IF your business was fully or partially closed OR revenue fell below 50% compared to same quarter last year due to coronavirus reasons • AND you did not receive a PPP loan • For businesses with more than 100 employees, they were furloughed • For businesses with fewer than 100 employees, they can be working or furloughed • Government will reimburse 50% of wages paid 	<ul style="list-style-type: none"> • Check with your accountant for advice on how to do this • Take a credit for the wages paid against your quarterly payroll tax filings • Use form 7200 to request an advance if credits exceed taxes due
BORROWED \$	<p align="center">DOES THIS APPLY TO ME? <i>Before borrowing from any source, make sure your business has a realistic chance for survival, success, and repayment → need pro forma P&L</i></p>	HOW TO PURSUE IT
SBA EXPRESS BRIDGE LOAN	<ul style="list-style-type: none"> • You already have a relationship with an SBA express lender • You need funding quickly • Good option if EIDL does not reopen 	<ul style="list-style-type: none"> • Check with your bank to see if this is a possibility • Compare terms to EIDL and PPP, if available
EIDL LOAN	<ul style="list-style-type: none"> • SEE EIDL/EEIG Grant above • Even though loan is not forgivable, streamlined application and payment terms may make this better alternative than other sources of credit 	<ul style="list-style-type: none"> • Watch application portal and apply ASAP
MAIN STREET LOAN FACILITY	<ul style="list-style-type: none"> • You need at least \$500k 	<ul style="list-style-type: none"> • Ask your bank
401K OR IRA LOAN	<ul style="list-style-type: none"> • You have a 401k with some funds already vested, or an IRA • Other fund sources are unavailable or insufficient 	<ul style="list-style-type: none"> • Make sure the plan allows for the loans or distributions allowed by the CARES Act