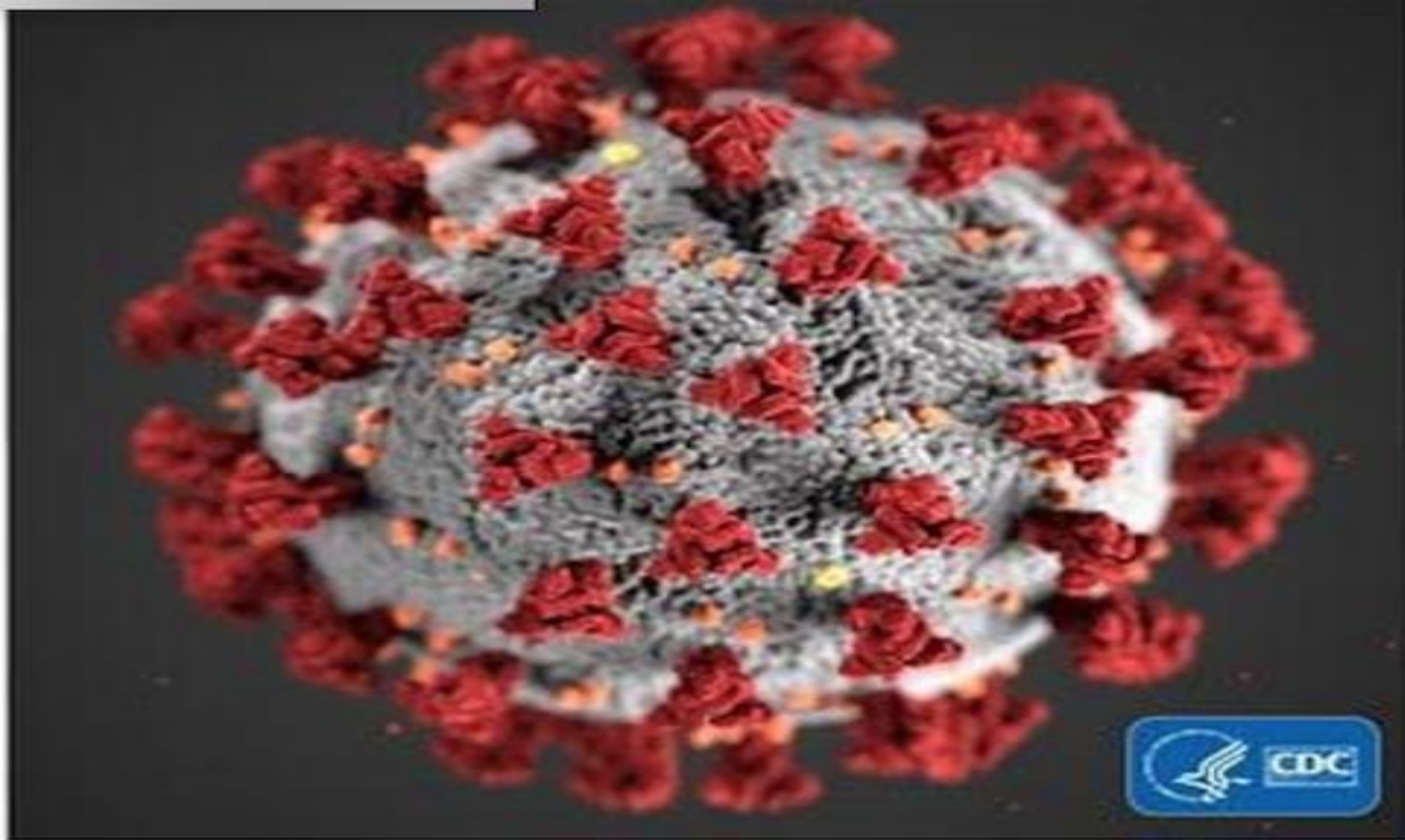


COVID-19: Guidance for Small Businesses

sba.gov/coronavirus



U.S. Small Business
Administration



Status 3/19/2020 – In Question please contact your Lawyer or CPA.

Agenda

Relay information received direct from:

- White House
- Dept of Labor
- Dept of Treasury
- Small Business Administration
- [Here the CDC Website](#)
- [Here the SCEMD Website](#)

Current Law – Federal, Future Law - Federal

COVID-19 – Current Law

Federal Government

- Tax Filing moved to 7/15/2020 – but if you expect a refund, file
 - No HUD backed foreclosures
 - [HR6201 – Families First Act](#)
 - Emergency Leave
 - Emergency Paid Sick Leave
 - Employer Tax Credits
 - COVID-19 Testing, visits
-

Federal Changes

Temporary Tax Changes:

Guidance

[Notice 2020-18 \(PDF\)](#), Relief for Taxpayers Affected by Ongoing Coronavirus Disease 2019 Pandemic

[Notice 2020-17 \(PDF\)](#), Relief for Taxpayers Affected by Ongoing Coronavirus Disease 2019 Pandemic

[Notice 2020-15 \(PDF\)](#), High deductible health plans and expenses related to COVID-19

Federal Changes -

Administration seeking “EMPLOYER PARTNERSHIP” model:

1. Employers have *direct* relationship with affected employees and their families
 2. Removes “in-person” unemployment claims which current regulations require
 3. States simply can’t handle the additional burden of mass claims – particularly if government employees affected by coronavirus
 4. For those cash strapped employers, working to establish provision to be able to submit claim electronically with reimbursement ASAP – working toward ability to Direct Deposit relief
-

Federal Changes -

Families First Coronavirus Response – HR 6201:

- Amends FMLA definitions
 - Applies to all employers < 500 employees (including govt)
 - Sec of Labor can exempt employers < 50 emp if business viability is in jeopardy
 - Exemptions for Health Care Providers and Emergency Responders
-

Families First Coronavirus Response – HR 6201

Employee Health Emergency Leave (Div. C)

- First 10 days unpaid (employee may use accrued time)
 - Leave paid thereafter at no less than 2/3 of employee regular pay
 - Maximum of \$200 per day or \$10,000 in aggregate
 - Variable schedules = avg number of hours over prior 6 months
 - Job restoration upon return (or equivalent)
 - < 25 employees, then “reasonable efforts” over 1 year window
 - If position does not exist due to coronavirus emergency, then no obligation
 - Exceptions for Health Care Providers & Emergency Responders
-

Families First Coronavirus Response – HR 6201

Emergency PAID Sick Leave (Div. E)

- 2 weeks (80 hrs.) of paid sick time if employee unable to work
 - Quarantine or isolation order
 - Self-quarantine
 - Symptoms of Coronavirus
 - Caring for another – child, relative, quarantined individual
 - Experiencing conditions similar to Coronavirus
 - May not exceed \$511 per day or \$5,110 in aggregate
 - NO tenure requirements
 - Employer cannot require employee to use accrued time
-

Families First Coronavirus Response – [HR 6201](#)

Employer Tax Credits

- To offset employer costs
 - 100% of qualified Employee Emergency Leave
 - 100% of qualified Emergency Paid Sick Leave
 - Refundable payroll tax credit allowed against employer portions of Social Security and Railroad Retirement payroll taxes
 - Tax credit for wages under both types of leave
 - Includes Employer paid portion of employee's health plan coverage while on leave.
-

SBA Disaster Assistance – Available NOW

Economic Injury Disaster Loan Program:

- Activated by States “Emergency” declaration
 - Loan amount up to \$2 million – 3.75% business, 2.75% Non-Profit
 - Working Capital & Business Expense only – cannot include “lost profits”
 - 1 year payment deferment from disbursement – up to 30 yr. Term
 - Must meet 3 qualifications:
 1. Eligibility – Business & Non-Profits (no church's or worship centers)
 2. Credit – lower than commercial standards
 3. Repayment ability – PRE-DISASTER CONDITION
-

SBA Disaster Assistance – Available NOW

Jovita Carranza – SBA Administrator:

- Cutting Red Tape – changing current policy
 - If a business receives a DECLINE – the notice is referred to the local District SBA office same day and a SBA official MUST contact Borrower within 24 hours to match them with a different lender
 - FEMA is supporting SBA with 500 additional support personnel
-

COVID-19 Future Law

Business Interruption Loan Program:

- 100% Government Guaranty
- Up to \$10 million
- Lender underwriting, SBA guarantee
- Loan forgiveness for employee payroll expense

Direct Payments to Individuals / Families:

Senate bill at \$1,200 / adult, \$500 / child

Need Help?

CHV Group is available to assist you with:

- Selecting a lender who can get your deals closed
 - Fair Market Valuation
 - CEO coaching program that teaches owners how to improve profitability and grow the value of their companies.
-

Questions / Comments

This information was prepared by Business Brokerage Press Partners and distributed through Weekly Webinars to Business Brokers. You receive this information courtesy of CHV Group LLC



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