

ASSISTANCE PROGRAMS FOR COVID-19 IMPACTS

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Scott Schulte, Treasurer (srschulte11@gmail.com)

Central States Synod - ELCA

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FEDERAL RESOURCES AVAILABLE

- For Employees:
 - **Pandemic Unemployment Assistance**
 - [Up to 39 weeks of coverage](#)
 - [May also be eligible for \\$600 WBA](#)
 - [Application via state procedures](#)
 - **Families First Coronavirus Response Act**
 - [Paid sick and expanded family/medical leave](#)
 - [Employers required to provide](#)
 - [Refundable credits](#)
 - [Distribute to employees](#)
- For employers:
 - **Employee Retention Credit**
 - [Credit against employment taxes](#)
 - [Forced closure](#)
 - [50% drop in gross receipts for qtr](#)
 - **Paycheck Protection Program**
 - **Economic Injury Disaster Loans**

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PAYCHECK PROTECTION PROGRAM (PPP)

Additional Details

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PAYCHECK PROTECTION PROGRAM

- Small employers with less than 500 employees
- Feb 15 – June 30 is the application period or until the money runs out
- Provided via SBA loans through local institutions – 2 years @ 1.0%
- Documentation requirements (tax filings for 2019, payroll reports)
- Maximum amount to be loaned is 2.5 times the average monthly payroll in 2019 – varies somewhat based on the institution
- Payments are deferred for 6 months
- Forgiveness of the loan is possible if
 - Funds are used in their entirety during the 8 week period following receipt of the funds
 - Did not reduce number of employees during the 8 week period – can rehire

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PAYCHECK PROTECTION PROGRAM

- Loaned funds usage eligible for forgiveness:
 - Payroll (housing allowance is a grey area), including FFCRA leaves
 - Group health care expenses, premium payments, retirement contributions
 - Mortgage interest
 - Rents and Leases
 - Utilities
 - Interest on any other debt obligations
- 75% of loan amount must be used for payroll expenses
- Additional documentation required to verify the usage of the funds to meet forgiveness requirements

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ECONOMIC INJURY DISASTER LOANS (EIDL)

Additional Details

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EIDL DETAILS

- Small employers with less than 500 employees
- Maximum loan amount is \$2 million
- Emergency grant of \$10,000 to be paid within 3 days of application
 - Providing paid sick leave
 - Maintaining payroll to retain employees during disruption
 - Meeting increased costs to obtain materials
 - Rent or mortgage payments
 - Repaying obligations that cannot be met due to revenue loss
- Provided via direct application with the SBA

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EIDL DETAILS

- Loans – up to 30 years @ 2.75%
- Credit, personal guarantee, collateral requirements
- Payments are deferred for a year
- Usage of the loan:
 - Pay fixed debts
 - Payroll
 - Accounts Payable
 - Other bills that could have been paid if disaster had not occurred
 - Not intended to replace lost revenue
 - Cannot be used to pay down long-term debt
- No loan forgiveness provision

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MISCELLANEOUS INFO

- Charitable contributions - \$300 cash contributions are deductible without itemizing
- Delaying payment of employer share of Social Security and Medicare taxes
 - ½ by end of 2021, the other half by end of 2022
 - Not available to recipients of PPP loans
- Approval for taking action

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FOR ADDITIONAL INFO

<https://www.sba.gov/page/coronavirus-covid-19-small-business-guidance-loan-resources>

<https://home.treasury.gov/policy-issues/cares/assistance-for-small-businesses>

<https://www.sba.gov/funding-programs/disaster-assistance>

https://www.dol.gov/sites/dolgov/files/WHD/posters/FFCRA_Poster_WH1422_Non-Federal.pdf

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