

## SUMMARY OF FEDERAL RESOURCES FOR SMALL to MEDIUM SIZED BUSINESSES IN RESPONSE TO COVID-19

	Federal Act	Targeted Beneficiary	Benefit Category	Eligible Companies	Affected Entities	Benefit Overview	Source / Credits
1	FFCRA	Individuals	Paid Sick Leave	Employers with < 500 employees	For-profit Not-for-profit	Generally, employers covered under the Act must provide employees with up to two weeks (80 hours, or a part-time employee's two-week equivalent) of paid sick leave based on the higher of the employee's regular rate of pay, or the applicable state or Federal minimum wage. Required payments will vary according to the qualifying reason for leave. See qualifying reasons for paid sick leave at <a href="http://www.dol.gov">www.dol.gov</a> .	<a href="http://www.dol.gov">www.dol.gov</a>
2	FFCRA	Individuals	Emergency Family Medical Leave	Employers with < 500 employees	For-profit Not-for-profit	Employees who have been employed at least 30 days prior to their leave and, if applicable, have not utilized their FMLA benefits within the last 12 months, may take up to an additional 10 weeks of partially paid emergency leave, the first 10 days of which may be unpaid. However, employees may elect to use accrued paid leave benefits during the first 10-day period. Employers must continue to pay after the initial 10-day period but benefits have a daily and aggregate payout cap. See qualifying reasons for Emergency Family Medical Leave at <a href="http://www.dol.gov">www.dol.gov</a> .	<a href="http://www.dol.gov">www.dol.gov</a>
3	CARES	Individuals	Retirement Plan Loans	N/A	Sponsors of 401(k), 403(b) and traditional IRA plans	<p>Increases the amount of eligible loans taken within 180 days after enactment of the CARES Act on March 27, 2020 from a qualified plan to the lesser of \$100,000 or 100 percent of the participant's vested account balance.</p> <p>Allows borrowers to repay the funds to a qualified plan during the 3-year period beginning the day after the date on which the individual receives a coronavirus-related distribution without having the amount recognized as income for tax purposes. Those electing not to repay all or a portion of the funds over the 3-year period will be taxed ratably over a 3-year period.</p> <p>The Act waives the mandatory 20 percent backup withholding requirement and waives the 10 percent early withdrawal tax penalty generally applicable to those under 59 1/2 years old.</p> <p>Income taxes will still be owed on withdrawn amounts that are not repaid, but individuals are permitted to pay tax on distributions over a 3-year period.</p> <p>Qualified individuals with an outstanding loan from their plan (i.e., one taken before the CARES Act was enacted) with a repayment due between March 27, 2020, and Dec. 31, 2020, can delay their loan repayments for up to one year, although interest will continue to accrue on these delayed payments</p>	<a href="https://www.irs.gov/newsroom/coronavirus-related-relief-for-retirement-plans-and-iras-questions-and-answers">https://www.irs.gov/newsroom/coronavirus-related-relief-for-retirement-plans-and-iras-questions-and-answers</a>
4	FFCRA	Business	Tax Credit	Employers with < 500 employees	For-profit Not-for-profit	Eligible employers are entitled to a fully refundable tax credit equal to the required Paid Sick Leave and Emergency Family Medical Leave. These tax credits also include the employer's share of Medicare tax imposed on those wages and its allocable cost of maintaining health insurance coverage for the employee during the sick leave and Emergency Family Medical Leave period(s). The employer is not subject to the employer portion of social security tax imposed on those wages.	<a href="https://www.irs.gov/newsroom/covid-19-related-tax-credits-general-information-faqs">https://www.irs.gov/newsroom/covid-19-related-tax-credits-general-information-faqs</a>
5	CARES	Business	Employee Retention Credit	Employers of all sizes (Note: Excludes small business that have taken advantage of business interruption loans.)	For-profit Not-for-profit	<p>The refundable tax credit is 50 percent of up to \$10,000 in wages paid by an eligible employer whose business has been financially impacted by COVID-19.</p> <p>Wages paid after March 12, 2020, and before Jan. 1, 2021, are eligible for the credit.</p> <p>Employers can be immediately reimbursed for the credit by reducing their required deposits of payroll taxes that have been withheld from employees' wages by the amount of the credit.</p>	<a href="https://www.irs.gov/coronavirus/employee-retention-credit">https://www.irs.gov/coronavirus/employee-retention-credit</a>
6	CARES	Business	Employment Tax Deposit Deferral	Employers of all sizes (Note: employers receiving a decision from its lender that its disaster loan is forgiven under the PPP are no longer eligible to defer deposit and payment of the employer's share of social security tax due after that date.)	For-profit Not-for-profit	<p>Employers may defer the deposit and payment of the employer's portion of social security taxes.</p> <p>The deferral applies to deposits and payments of the employer's share of social security tax that would otherwise be required to be made during the period beginning on March 27, 2020, and ending December 31, 2020.</p>	<a href="https://www.irs.gov/newsroom/deferral-of-employment-tax-deposits-and-payments-through-december-31-2020">https://www.irs.gov/newsroom/deferral-of-employment-tax-deposits-and-payments-through-december-31-2020</a>

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7	CARES	Business	Employers of all sizes	For-profit Not-for-profit  (Note: Guidance remains open concerning how the TCJA's provisions could impact the NOL carryback provisions of a not-for-profit's unrelated activities.)	<p>Permits businesses to take NOLs earned in 2018, 2019, and 2020 and carry back those losses 5 years.</p> <p>Means that up to 100% of Unrelated Business Taxable Income can be offset with an available NOL within the same unrelated activity.</p> <p>Suspends 80% of taxable income limitation.</p> <p>Businesses with tax credit forwards and previous alternative minimum tax liability can claim larger refundable tax credits than they otherwise could.</p> <p>Corrects TCJA technical error and makes changes to TCJA re NOL rules effective for a business's first tax year ending after (instead of before) December 31, 2017.</p> <p>Permits businesses with tax years beginning after December 31, 2017 and before January 1, 2021 to carryback losses for up to 5 years permitting recoupment of taxes at higher 35% corporate rates. The carryback may be waived by the taxpayer, instead carrying forward losses. Losses carried forward to tax years before 2021 may offset 100% of taxable income.</p> <p>Revenue Procedure 2020-24 provides guidance on waiving carryback claims for a 2018 or 2019 NOL, or carrying back an NOL for a businesses first fiscal year ending after December 31, 2017.</p> <p>Revenue Procedure Notice 2020-26 addresses the timing of a carryback claim for the 2018 tax year and filing extension guidance.</p>	<p>Forbes, "Reversed Elections, Amended Returns, And NOL Carrybacks: The IRS Provides Guidance On CARES Act Tax Changes", April 13, 2020, Tony Nitti</p> <p>Tax Foundation, "Congress Approves Economic Relief Plan for Individuals ad Businesses", April 1, 2020, Garrett Watson, Taylor LaJoie, Huaqun Li, Daniel Bunn</p> <p>MOSSADAMS, "CARES Act Overview: Implications for Tax-Exempt Organizations", April 2020, Wendy Campos</p> <p>KPMG, "Tax relief for tax-exempt organizations in "phase 3" coronavirus legislations (COVID-19)", March 27, 2020,</p>
8	CARES	Business	Employers of all sizes	For-profit Not-for-profit	<p>Under the TCJA, qualified improvement property (QIP) was supposed to have a 15-year cost recovery period and be eligible for 100 percent bonus depreciation. A drafting error, however, caused QIP to have a 39-year cost recovery period and be ineligible for bonus depreciation. The CARES Act retroactively corrects the drafting error for QIP acquired and placed in service on or after Jan. 1, 2018.</p> <p>The retroactive fix presents an opportunity for many taxpayers to accelerate depreciation, either by filing a Form 3115, Application for Change in Accounting Method, or, in some cases, by filing an amended tax return. Taxpayers that are required to use the alternative depreciation system (ADS) — including those who elected out of the business interest limitations — are ineligible for bonus depreciation on QIP.</p> <p>Amended returns based on rescinded elections must be filed on or before October 15, 2021.</p>	<p>Tax savings opportunities from the CARES Act By John Werlhof, CPA July 1, 2020  www.thetaxadviser.com</p>
9	CARES	Business	Those that previously made an irrevocable election out of Section 163(j)	For-profit Not-for-profits with for-profit subsidiaries and/or unrelated business taxable income	<p>Increases annual limitation on business interest expense deduction from 30 percent to 50 percent of adjusted taxable income for 2019 and 2020 tax years.</p>	<p>Forbes, "Reversed Elections, Amended Returns, And NOL Carrybacks: The IRS Provides Guidance On CARES Act Tax Changes", April 13, 2020, Tony Nitti</p> <p>KPMG, "Tax relief for tax-exempt organizations in "phase 3" coronavirus legislations (COVID-19)", March 27, 2020,</p>
10	FFCRA	Individuals	N/A	For-profit Not-for-profit	<p>Group health plans are required to provide free FDA-approved testing for COVID-19 for all individuals enrolled and covered by the plan with no co-pay requirement or any other cost to the individual. Not available to those who have waived coverage or are ineligible for coverage. (Note: high deductible, high premium plans are required to provide similar no-fee testing.)</p>	<p>Day Pitney, LLP, "Employer-Sponsored Group Health Plans Must Provide Cost-Free Coverage of Covid-19 Testing", March 20, 2020, Liza J. Hecht, Kathy A. Lawler, David P. Doyle, Thomas F. J. O'Mullane</p>

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11	CARES - PPP	Business	Forgivable Loans	Employers with < 500 employees (Exceptions are provided for small businesses in the hospitality and food industries that are franchises as defined by the SBA with more than 500 employees.)	For-profit Not-for-profit (501 (c)(3) and 501(c)(19) entities)  Note: For-profit subsidiaries of otherwise ineligible not-for-profits may be eligible.	<p>Congress created the PPP as part of the \$2 trillion CARES Act. The legislation authorized Treasury to use the SBA's 7(a) small business lending program to fund forgivable loans of up to \$10 million per borrower that qualifying businesses could spend to cover payroll, mortgage interest, rent, and utilities. New interim final rule makes revisions to previous guidance to reflect the Paycheck Protection Program Flexibility Act of 2020, P.L. 116-142, which became law on June 5 and made significant changes to the PPP, most notably:</p> <p>Expanding to 24 weeks, from eight weeks, the covered period during which PPP loan recipients can spend the funds and still qualify for loan forgiveness.</p> <p>The 24-week period applies to all loans made on or after June 5. Borrowers that received loans before June 5 can choose to elect an eight-week period.</p> <p>Lowering to 60 percent from 75 percent the proportion of PPP funding that must be used on payroll costs to qualify for full forgiveness.</p> <p>Expanding the term for new loans to five years from two years. Borrowers with loans received before June 5 can extend their loan term to five years if their lender agrees.</p>	<p><a href="https://www.journalofaccountancy.com/news/2020/jun/ppp-loan-recipients-can-apply-early-for-loan-forgiveness.html#:~:text=Congress%20created%20the%20PPP%20as,interest%2C%20rent%2C%20and%20utilities.">https://www.journalofaccountancy.com/news/2020/jun/ppp-loan-recipients-can-apply-early-for-loan-forgiveness.html#:~:text=Congress%20created%20the%20PPP%20as,interest%2C%20rent%2C%20and%20utilities.</a></p>
12	CARES - EIDL	Business	Disaster Loans	Companies meeting the definition of small business according to size tests and other SBA eligibility criteria .	For-profit Most not-for-profits including 501(c)(6)	<p>On June 15, SBA resumed accepting new Economic Injury Disaster Loan (EIDL) applications from all qualified small businesses, including agricultural businesses, and non-profit organizations.</p> <p>The EIDL program is designed to provide economic relief to businesses that are currently experiencing a temporary loss of revenue due to coronavirus (COVID-19). EIDL proceeds can be used to cover a wide array of working capital and normal operating expenses, such as continuation of health care benefits, rent, utilities, and fixed debt payments.</p> <p>See website link for loan terms.</p>	<p><a href="https://www.sba.gov/funding-programs/disaster-assistance/coronavirus">sba.gov/funding-programs/disaster-assistance/coronavirus</a></p>
13	CARES	Business	Refundable Alternative Minimum (AMT) Tax Credit	Employers of all sizes	For-profit Not-for-profits with for-profit subsidiaries and/or unrelated business taxable income	<p>The corporate alternative minimum tax (AMT) was repealed as part of the TCJA. Any remaining corporate AMT credits were made available as refundable credits for years ending in 2018 and 2019. The CARES Act accelerates the ability of companies to recover those AMT credits, permitting companies to claim full refunds starting in 2018 and/or 2019 in order to access additional cash flow during the COVID-19 emergency.</p>	<p>MARCUM Coronavirus Resource Center, "The CARES Act Modifies Rules for NOLS and AMT", April 6, 2020, Martin Martinez</p> <p>KPMG, "Tax relief for tax-exempt organizations in "phase 3" coronavirus legislations (COVID-19)", March 27, 2020,</p>
14	CARES	Individuals	Student Loan Debt Repayment	Employers of all sizes	For-profit Not-for-profit	<p>From March 27 through Dec. 31, 2020, the CARES Act expands tax code Section 127 to allow employers to reimburse employees up to \$5,250 for most student loan payments, which can be excluded from taxable income.</p> <p>The \$5,250 limit is the amount that employers may currently contribute, tax-free, for tuition assistance under Section 127. Through the end of 2020, it becomes the combined limit for loan repayment assistance or other education-assistance payments employees receive.</p>	<p><a href="https://www.shrm.org">www.shrm.org</a></p>

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15	CARES - MSNLF	Business	Operating Liquidity Loan	U.S. businesses employing up to 15,000 employees, 2019 annual revenue of \$5B or less, business established prior to March 13, 2020, eligible as per 13 CFR 120.110(b)-(j), (m)-(s), not participating in one of the three MSLF programs, not participating in the PMCCF and did not receive support under section 4003(b)(1)-(3) of the CARES Act.	For-profit	<p>The Federal Reserve Bank - Boston will make non-forgivable loans available to eligible business ranging from \$250,000 up to \$35 million to be issued by Eligible Lenders (currently excludes nonbank institutions). Businesses must have been financially sound prior to the onset of COVID-19, must make commercially reasonable efforts to retain employees during the loan term and have received a "pass" on its internal risk rating equivalent to the FFIEC's rating system. Loan may not be subordinated in terms of priority to borrower's other loans/debt at or subsequent to loan origination.</p> <p>Loan term is 5 years with principal payments deferred 2 years and interest payments deferred for 1 year with interest being capitalized. Principal amortization of 15 percent and the end of the 3rd year, 15 percent at end of 4th year and a 70 percent balloon at maturity in 5th year.</p> <p>See website for additional terms and conditions.</p>	<a href="https://www.federalreserve.gov/newsevents/pressreleases/files/monetary20200608a1.pdf">https://www.federalreserve.gov/newsevents/pressreleases/files/monetary20200608a1.pdf</a>
16	CARES - MSPLF	Business	Operating Liquidity Loan	U.S. businesses employing up to 15,000 employees, 2019 annual revenue of \$5B or less, business established prior to March 13, 2020, eligible as per 13 CFR 120.110(b)-(j), (m)-(s), not participating in one of the three MSLF programs, not participating in the PMCCF and did not receive support under section 4003(b)(1)-(3) of the CARES Act.	For-profit	<p>The Federal Reserve Bank - Boston will make non-forgivable loans available to eligible business ranging from \$250,000 up to \$50 million to be issued by Eligible Lenders (currently excludes nonbank institutions). Businesses must have been financially sound prior to the onset of COVID-19, must make commercially reasonable efforts to retain employees during the loan term and have received a "pass" on its internal risk rating equivalent to the FFIEC's rating system. Loan may not be subordinated in terms of priority to borrower's other loans/debt at or subsequent to loan origination.</p> <p>Loan term is 5 years with principal payments deferred 2 years and interest payments deferred for 1 year with interest being capitalized. Principal amortization of 15 percent and the end of the 3rd year, 15 percent at end of 4th year and a 70 percent balloon at maturity in 5th year.</p> <p>See website for additional terms and conditions.</p>	<a href="https://www.federalreserve.gov/newsevents/pressreleases/files/monetary20200608a2.pdf">https://www.federalreserve.gov/newsevents/pressreleases/files/monetary20200608a2.pdf</a>
17	CARES - MSELF	Business	Operating Liquidity Loan	U.S. businesses employing up to 15,000 employees, 2019 annual revenue of \$5B or less, business established prior to March 13, 2020, eligible as per 13 CFR 120.110(b)-(j), (m)-(s), not participating in one of the three MSLF programs, not participating in the PMCCF and did not receive support under section 4003(b)(1)-(3) of the CARES Act.	For-profit	<p>The Federal Reserve Bank - Boston will make non-forgivable loans available to eligible business ranging from \$10 million up to \$300 million to be issued by Eligible Lenders (currently excludes nonbank institutions). Businesses must have been financially sound prior to the onset of COVID-19, must make commercially reasonable efforts to retain employees during the loan term and have received a "pass" on its internal risk rating equivalent to the FFIEC's rating system. Loan may not be subordinated in terms of priority to borrower's other loans/debt at or subsequent to loan origination.</p> <p>Loan term is 5 years with principal payments deferred 2 years and interest payments deferred for 1 year with interest being capitalized. Principal amortization of 15 percent and the end of the 3rd year, 15 percent at end of 4th year and a 70 percent balloon at maturity in 5th year.</p> <p>See website for additional terms and conditions.</p>	<a href="https://www.federalreserve.gov/newsevents/pressreleases/files/monetary20200608a3.pdf">https://www.federalreserve.gov/newsevents/pressreleases/files/monetary20200608a3.pdf</a>
18	CARES - NONLF	Business	Operating Liquidity Loan	Has been in continuous operations since January 1, 2015, is not an ineligible business, has 15,0000 or fewer employees or had 2019 revenues of \$5 billion or less, has at least 10 employees, has an endowment of less than \$3 billion, has total non-donation revenues equal to or greater than 60 percent of expenses for the period 2017 through 2019.	Not-for-profit (501 (c)(3) and 501(c)(19) entities)	<p>The Federal Reserve Bank - Boston will make non-forgivable loans available to eligible business ranging from \$250,000 up to \$35 million to be issued by Eligible Lenders (currently excludes nonbank institutions). Businesses must have been financially sound prior to the onset of COVID-19, must make commercially reasonable efforts to retain employees during the loan term and have received a "pass" on its internal risk rating equivalent to the FFIEC's rating system. Loan may not be subordinated in terms of priority to borrower's other loans/debt at or subsequent to loan origination.</p> <p>Loan term is 5 years with principal payments deferred 2 years and interest payments deferred for 1 year with interest being capitalized. Principal amortization of 15 percent and the end of the 3rd year, 15 percent at end of 4th year and a 70 percent balloon at maturity in 5th year.</p> <p>See website for additional terms and conditions.</p>	<a href="https://www.federalreserve.gov/newsevents/pressreleases/files/monetary20200608a3.pdf">https://www.federalreserve.gov/newsevents/pressreleases/files/monetary20200608a3.pdf</a>

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18	CARES - NOELF	Business	Operating Liquidity Loan	Has been in continuous operations since January 1, 2015, is not an ineligible business, has 15,0000 or fewer employees or had 2019 revenues of \$5 billion or less, has at least 10 employees, has an endowment of less than \$3 billion, has total non-donation revenues equal to or greater than 60 percent of expenses for the period 2017 through 2019.	Not-for-profit (501 (c)(3) and 501(c)(19) entities)	<p>The Federal Reserve Bank - Boston will make non-forgivable loans available to eligible business ranging from \$10 million up to \$300 million to be issued by Eligible Lenders (currently excludes nonbank institutions). Businesses must have been financially sound prior to the onset of COVID-19, must make commercially reasonable efforts to retain employees during the loan term and have received a "pass" on its internal risk rating equivalent to the FFIEC's rating system. Loan may not be subordinated in terms of priority to borrower's other loans/debt at or subsequent to loan origination.</p> <p>Loan term is 5 years with principal payments deferred 2 years and interest payments deferred for 1 year with interest being capitalized. Principal amortization of 15 percent and the end of the 3rd year, 15 percent at end of 4th year and a 70 percent balloon at maturity in 5th year.</p> <p>See website for additional terms and conditions.</p>	<a href="https://www.federalreserve.gov/newsevents/pressreleases/files/monetary20200717a1.pdf">https://www.federalreserve.gov/newsevents/pressreleases/files/monetary20200717a1.pdf</a>

### Definitions

<b>CARES</b>	Coronavirus Aid, Relief and Economic Security
<b>EIDL</b>	Economic Injury Disaster Loan Program
<b>FFCRA</b>	Families First Coronavirus Response Act
<b>FFIEC</b>	Federal Financial Institutions Examination Council
<b>MSLP</b>	Main Street Lending Program
<b>MSELF</b>	Main Street Expanded Loan Facility
<b>MSNLF</b>	Main Street New Loan Facility
<b>MSPLF</b>	Main Street Priority Loan Facility
<b>NONLF</b>	Nonprofit Organization New Loan Facility
<b>NOELF</b>	Nonprofit Organization Expanded Loan Facility
<b>PMCCF</b>	Primary Market Corporate Credit Facility
<b>PPP</b>	Paycheck Protection Program
<b>SBA</b>	Small Business Administration
<b>TCJA</b>	Tax Cuts and Jobs Act