

CARES ACT – BUSINESS PROVISIONS

Business Provision	Who is Eligible?	What does this do?	Guidelines
Paycheck Protection Program (PPP) Loans	<p>Employers that have 500 or fewer employees</p> <ul style="list-style-type: none"> • includes • - Sole proprietors - Self-employed/independent contractors <ul style="list-style-type: none"> • requirements • <p>Businesses must maintain employment levels and pay them at least 75% of their prior-year compensation</p>	<p>PPP loans can be as much as 250% of a business’s average monthly payroll costs over the last 12 months, not to exceed \$10 million</p> <p>Salaries over \$100,000 are not counted as payroll costs</p>	<p>Principal amounts equal to the sum of payroll costs, mortgage interest, rent and utilities, paid during the 8-week period beginning on the date of loan origination, shall be eligible for forgiveness of indebtedness.</p> <p>Loan amount that may be forgiven cannot exceed the principal amount of the loan.</p> <p>Payments on remaining balance after forgiveness, may be deferred for at least 6 months and not more than one year.</p>
FICA Deferral	Employers that are not participating in the Paycheck Protection Program (PPP)	Employers can defer 100% of employer Social Security tax for amounts due 3/27/2020 through 12/31/2020	50% of deferred amount is due December 31, 2021, remaining amount due December 31, 2022.
Employee Retention Credit	<p>Employers that are not participating in the Paycheck Protection Program (PPP)</p> <ul style="list-style-type: none"> • and • <p>Have 100 employees or fewer</p> <ul style="list-style-type: none"> • or • <p>Have 100 employees or more and have furloughed employees whose wages are continued for business closure due to COVID-19</p>	<p>Employers are eligible for a credit up to \$5,000 representing 50% of the first \$10,000 of wages paid to each employee this year</p> <p>Employers may take this credit against their current employment tax liability</p>	Credits limited to total employer social security liability for the quarter