

Resources for Small Business Employers Impacted by the COVID-19 Pandemic

Payroll Requirements, Credits, and Payment Deferrals		
Title / Summary	Source	More Info
<p><u>EMERGENCY PAID SICK LEAVE REQUIREMENTS</u> - Generally all employers with fewer than 500 employees must provide up to 80 hours of paid sick leave at the employee’s regular rate of pay where the employee is unable to work because the employee is quarantined (pursuant to Federal, State, or local government order or advice of a health care provider), and/or experiencing COVID-19 symptoms and seeking a medical diagnosis; or provide up to 80 hours of paid sick leave at two-thirds the employee’s regular rate of pay because the employee is unable to work because of a bona fide need to care for an individual subject to quarantine (pursuant to Federal, State, or local government order or advice of a health care provider), or care for a child (under 18 years of age) whose school or child care provider is closed or unavailable for reasons related to COVID-19, and/or the employee is experiencing a substantially similar condition as specified by the Secretary of Health and Human Services. <u>Covered employers qualify for dollar-for-dollar reimbursement through tax credits</u> (including SE tax) for all qualifying wages paid under the FFCRA. Qualifying wages are those paid to an employee who takes leave under the Act for a qualifying reason, up to the appropriate per diem and aggregate payment caps. Applicable tax credits also extend to amounts paid or incurred to maintain health insurance coverage.</p>	Federal Families First Coronavirus Act (H.R. 6201)	US Dept of Labor Website
<p><u>EXPANDED FAMILY AND MEDICAL LEAVE</u> - After taking the two weeks paid sick leave, employees who have been employed for at least 30 days may be eligible for up to an additional 10 weeks of paid expanded family and medical leave. This is generally at two-thirds the employee’s regular rate of pay where an employee is unable to work due to a bona fide need for leave to care for a child whose school or child care provider is closed or unavailable for reasons related to COVID-19. <u>Covered employers qualify for dollar-for-dollar reimbursement through tax credits</u> (including SE tax) for all qualifying wages paid under the FFCRA. Qualifying wages are those paid to an employee who takes leave under the Act for a qualifying reason, up to the appropriate per diem and aggregate payment caps. Applicable tax credits also extend to amounts paid or incurred to maintain health insurance coverage.</p>	Federal Families First Coronavirus Act (H.R. 6201)	US Dept of Labor Website
<p><u>REFUNDABLE EMPLOYEE RETENTION CREDIT UP TO \$10,000 PER EMPLOYEE</u> - The provision provides a refundable payroll tax credit (to eligible employers) for 50 percent of wages paid after March 12, 2020 and before January 1, 2021 by employers to employees during the COVID-19 crisis. The credit is available to employers whose (1) operations were fully or partially suspended, due to a COVID-19-related shut-down order, or (2) gross receipts declined by more than 50 percent when compared to the same quarter in the prior year.</p>	Federal CARES Act (H.R. 748)	US Senate Committee PDF
<p><u>PAYMENT OF EMPLOYER PAYROLL TAXES DEFERRED</u> - Employers may be able to defer payment for the employer portion of payroll taxes incurred between the date the CARES Act is enacted through December 31, 2020. If deferred, the employer would instead pay 50% of this amount by December 31, 2021, and the remaining 50% by December 31, 2022. The eligible payroll taxes are the employer’s portion of Social Security taxes—6.2% of an employee’s wages. Self-employed taxpayers can also defer the employer’s portion of Social Security taxes in the self-employment tax.</p>	Federal CARES Act (H.R. 748)	US Senate Committee PDF

Ways to Take Care of Your Employees		
Title / Summary	Source	More Info
<p><u>QUALIFIED DISASTER PAYMENTS TO EMPLOYEES</u> - Now that the COVID-19 has been declared a national emergency, Internal Revenue Code Section 139 can be used to allow employers to make tax-free payments or reimbursements to employees as “qualified disaster payments.” These payroll and income tax free payments can be reimbursements for over-the-counter medications, hand sanitizers, home disinfectant supplies, child care or tutoring due to school closings, work-from-home expenses (like setting up a home office, increased utilities expense, higher internet costs, printer, cell phones, etc.)</p>	Federal IRC Section 139	Link pending
<p><u>EMPLOYEES CAN APPLY FOR UNEMPLOYMENT BENEFITS FROM IDES</u> - Under the new CARES Act, individuals who are unable to work because of: testing positive for COVID-19; taking care of a family member who has COVID-19; taking care of a child whose school is closed; cannot get to work because his/her place of employment is closed as a result of COVID-19; self-quarantining under the advisement of a health professional; are eligible to receive up to 39 weeks of unemployment insurance. The Act waives the two-week waiting period to be eligible for Unemployment Insurance. It also provides an additional \$600 per week payment to each recipient of unemployment insurance or Pandemic Unemployment Assistance for up to four months. As of 3/28/2020 the Illinois Department of Employment Security (IDES) has not published a response to the Act but it does have a set filing schedule due to the high volume of applicants.</p>	Illinois Department of Employment Security and the Federal CARES Act (H.R. 748)	IDES Website

*This flyer is meant to be a tool for sharing new opportunities available to small businesses. There are many additional eligibility requirements and/or restrictions for each specific issue. It is the reader's responsibility to verify the facts, eligibility, and application of each of these scenarios. Please reach out to one of our staff to help determine which options are the best for you. Email info@skdocpa.com.

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Loan Opportunities (See our COVID-19 LOAN SUMMARY CHART FOR MORE INFO)		
Title / Summary	Source	More Info
FEDERAL SBA - ECONOMIC INJURY DISASTER LOANS - See SKDO's Small Business Loan Options Chart for additional information including basic eligibility requirements, loan limits, and more.	Federal CARES Act (H.R. 748)	SKDO Loan Chart
FEDERAL SBA - EXPRESS BRIDGE LOANS (EBL) - See SKDO's Small Business Loan Options Chart for additional information including basic eligibility requirements, loan limits, and more.	Federal 82 FR 47958	SKDO Loan Chart
FEDERAL SBA - PAYCHECK PROTECTION PROGRAM - See SKDO's Small Business Loan Options Chart for additional information including basic eligibility requirements, loan limits, and more.	Federal CARES Act (H.R. 748)	SKDO Loan Chart
ECONOMIC STABILIZATION LOANS AND LOAN GUARANTEES - See SKDO's Small Business Loan Options Chart for additional info including basic eligibility requirements, loan limits, etc.	Federal CARES Act Section 4001 (H.R. 748)	SKDO Loan Chart
ILLINOIS SMALL BUSINESS EMERGENCY LOAN FUND - See SKDO's Small Business Loan Options Chart for additional information including basic eligibility requirements, loan limits, etc.	DCEO & IDFPR - Emergency Small Business Grants	SKDO Loan Chart
IL DOWNSTATE SMALL BUSINESS STABILIZATION PROGRAM - See SKDO's Small Business Loan Options Chart for additional info including basic eligibility requirements, loan limits, etc.	DCEO - Emergency Small Business Grants and Loans	SKDO Loan Chart
HOSPITALITY EMERGENCY GRANT PROGRAM - See SKDO's Small Business Loan Options Chart for additional information including basic eligibility requirements, loan limits, and more.	DCEO - Emergency Small Business Grants and Loans	SKDO Loan Chart

Tax Relief		
Title / Summary	Source	More Info
ILLINOIS SALES TAX PENALTY RELIEF FOR EATING AND DRINKING ESTABLISHMENTS - In an effort to assist eating and drinking establishments impacted by the COVID-19 outbreak, effective immediately, the Illinois Department of Revenue (IDOR) is waiving any penalty and interest that would have been imposed on	Illinois Department of Revenue Informational Bulletin (March	IDOR Bulletin
POSTPONED INCOME TAX FILING AND PAYMENT OF TAXES FOR PASS-THRU ENTITY OWNERS OR C CORPORATIONS - Any person with a federal income tax return or payment due April 15, 2020, including individuals, trusts, estates, corporations, or any type of unincorporated business entity is automatically postponed until July 15, 2020. First quarter federal estimated tax payments are also postponed until July 15, 2020, but keep in mind that the second quarter estimated tax payments are still due June 15, 2020. Illinois has also extended its income tax due date to July 15, 2020 but there is no change to the estimated tax payment due dates.	Federal IRS Notice 2020-18	IRS Notice
MODIFICATIONS FOR NET OPERATING LOSSES - The CARES Act relaxes the limitations on a company's use of losses. Net operating losses (NOL) are currently subject to a taxable-income limitation, and they cannot be carried back to reduce income in a prior tax year. The provision provides that an NOL arising in a tax year beginning in 2018, 2019, or 2020 can be carried back five years. The provision also temporarily removes the taxable income limitation to allow an NOL to fully offset income. These changes will allow companies to utilize losses and amend prior year returns, which will provide critical cash flow and liquidity during the COVID-19 emergency.	Federal CARES Act (H.R. 748)	US Senate Committee PDF
QUALIFIED IMPROVEMENT PROPERTY - The CARES Act enables businesses, especially in the hospitality industry, to write off immediately costs associated with improving facilities instead of having to depreciate those improvements over the 39-year life of the building. The provision, which corrects an error in the Tax Cuts and Jobs Act, not only increases companies' access to cash flow by allowing them to amend a prior year return, but also incentivizes them to continue to invest in improvements as the country recovers from the COVID-19 emergency.	Federal CARES Act (H.R. 748)	US Senate Committee PDF