

FINANCIAL ASSISTANCE AT A GLANCE

Some of you may have received this information in a previous communication from our office. However, now that the U.S. Treasury Department and the United States Department of Labor have issued initial guidance on the small business loan program and other forms of assistance, we are sending this information to you and encouraging you to check your online updates and resources for more information based on your individual situation.

You are also encouraged to consult with a CPA or employment attorney licensed in your respective state, if you reside outside of North Carolina. Federal law will be the same; and the agencies are issuing guidance and regulations, so it is important to follow the agency's guidelines and information as it is made available. The information below is intended to assist you with navigating the application process yourself, or if you require assistance, please let us know and we can direct you further. This information does not constitute and should not be considered legal advice or tax advice.

A. Economic Injury Disaster Loans (EIDL) – Funded directly by FEMA (not through Banks) - If you can't pay employees and overhead because your income is down or non-existent.

1. These loans would normally fund in days. They are to cover payroll, rent, utilities, and fixed overhead. There are a number of forms that need to be completed and can be submitted online at <https://www.sba.gov/funding-programs/disaster-assistance>
2. There is a \$10,000 advance funding that will not need to be repaid, even if the full loan is never finalized.
3. The loans are at 3.75% with the first payment due in 12 months.

B. Paycheck Protection Program– SBA Loans to keep people working and on payroll– Apply with the bank. Even if your income hasn't dropped, you still can get this funding to keep your people on payroll.

1. The amount could be up to 2.5 Times the Amount of monthly - Payroll, Rent, and Utilities.
2. If you spend the dollars for Payroll, Rent, and Utilities, they will be considered "grants" that will not have to be repaid.
3. The actual "loan amounts" repayments start at 6 or 12 mos., with up to a 10 yr. term, and interest rate up to 4% (Non-profits 2.75%).

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- C. **“Disaster Unemployment”** - If you are self-employed or are paid by “1099” and report as a “Sch C” business, you can apply for unemployment at: <https://des.nc.gov/apply-unemployment/>. You will need to provide proof that you operate a “business” and the income level. This applies to Hair/ Nail/ Barber professionals, Uber Drivers, Gig workers, etc.

- D. **Payroll Credit – If you are financially able to pay your employees for time away for medical and family leave, you will receive a credit of up to \$10,000 for wages and benefits per employee** through June 30th. The credit reduces the amount of Employer payroll tax for the quarter, and you receive a check for any excess at the end of the quarter. (The payroll services will be key in tracking this).

- E. **SBA counselors and support resources:** <https://www.score.org/>

- F. **And remember, the date for personal and business tax filings and taxes due has changed from April 15th to July 15th.**

Funding Support - CPA's and others may be able to assist you in sorting through which options work best for you, coordinate getting the necessary documents and information to/from you, and to then submit your “funding” packages through FEMA or the bank. Many offer fee based services only if the loan is funded. And should the loan not fund, there usually is no fee due. Contact our office at 704-944-5540 for more information and CPA referrals if needed.

Stay Healthy and Be Well!

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