



March 28, 2020

Summary of Federal Coronavirus Aid Relief Package

As you well know, the federal tax deadline for filing and making payments has been extended until July 15. The States of Ohio, Kentucky & Indiana have all extended their filing and payment deadlines until July 15. Please note at this time, Kentucky has not provided extension relief for interest on payments made after April 15. **The HBA will host a conference call to discuss details of the CARES Act once more of the details are available.**

In addition to the two relief packages passed by Congress last week, today's Coronavirus Aid, Relief, and Economic Security (CARES) Act is significant. This legislation is intended to provide much-needed relief for businesses and individuals through a variety of methods. Here is our quick summary of some key provisions in the CARES Act that will apply to many HBA members:

Relief for individuals:

- Individual Stimulus Payments: You can calculate your stimulus using your 2019 (if filed) or 2018 (if 2019 hasn't been filed) Adjusted Gross Income and this calculator: <https://www.washingtonpost.com/graphics/business/coronavirus-stimulus-check-calculator/>. You do not need to apply for this as long as you filed a 2018 or 2019 tax return or get government payments currently, such as Social Security.
- Special Rules for Using Retirement Funds for Costs Coronavirus
- Changes to Charitable Contributions for individuals taking the standard deduction
- Expansion of unemployment benefits, including for self-employed workers: Assistance for applying for unemployment benefits can be found at <https://unemployment.ohio.gov/> or other applicable State unemployment websites; be patient as the process is not fast nor easy, and the system is overloaded.
- Exclusion from Income of Employer Payment of Employee Student Loan Debt

Relief for businesses:

There is a lot of information we're unsure of at this point, and we are dedicated to learning which pieces of the law will be more beneficial for HBA members than others. As of today, we believe that taking advantage of some of these loans/grants/credits will preclude you from taking advantage of others; therefore, it's recommended that, wherever possible, wait until more information is available. We know the SBA is overloaded and not going to be able to move immediately on any of these anyway.

Small Business Loans and Loan Forgiveness of Paycheck Protection and Subsidies As you well know, the federal tax deadline for filing and making payments has been extended until July 15. The States of Ohio, Kentucky & Indiana have all extended their filing and payment deadlines until July 15. Please note at this time, Kentucky has not provided extension relief for interest on payments made after April 15.

- Small Business Loans and Loan Forgiveness of Paycheck Protection and Subsidies y for Certain Loan Payments. There is a good chance many of our clients will be eligible for these loans, and we will recommend you apply. We will provide details about HOW you apply once it's available
- Emergency Government Disaster Loan and Grant. The SBA website is struggling to keep up, details are coming, and we will share more information as it's available
- Employee Retention Credits
- Delay of Payment of Employer Payroll Tax and Self-Employment Tax
- Exclusion from Income of Employer Payments of Employee Student Loan Debt
- Changes to the Net Operating Loss Rules including a five-year carryback of certain 2018, 2019, and 2020 losses and, temporarily, the ability to fully offset income for Certain Loan Payments

There is a good chance many HBA members will be eligible for these loans, and we recommend that you apply. We will provide details about HOW you apply once the information is available. **As always, please check with your tax advisor before making any decisions.**

Source: Zimmerman & Company, CPAs