**A Summary of Options for Your Business - The Economic Aid to Hard-Hit Small Businesses, Nonprofits, and Venues Act (December 2020)**

Everyone is discussing the second round of Payroll Protection Program loans, but did you know there are other programs that you may be eligible for? Here are some of the relief options included!

**Tax Provisions + Credits**

**(approximately 30 minutes into the** Gusto Partner Video**)**

**PPP Expense Deductibility**under the new law, ordinary & necessary business expenses that were paid with a forgiven or forgivable PPP loan are now fully deductible. The benefit of this piece of legislation is that you no longer have to worry about these expenditures inflating your taxable income.

**Employee Retention Credit (ERC) is a refundable tax credit against certain federal employment taxes. The tax credit extends through June 30, 2021 and the ERC tax credit effective January 1, 2021 also reduces the gross receipts decline from 50% to 20%. There is the ability to opt in for the ERC program retroactive to 2020 and clarifies that group health plan expenses can be considered qualified wages. You can read more about the requirements for the ERC here!**

**Paid Sick and Family Leave FFCRA is extended through March 31, 2021 but employers are no longer required to provide paid leave under the FFCRA.**

**Targeted EIDL Grants**

**(approximately 42 minutes into the** Gusto Partner Video**)**

**COVID-19 Targeted EIDL Advance**was signed into law on December 27, 2020, as part of the Economic Aid to Hard-Hit Small Businesses, Non-Profits, and Venues Act. The Targeted EIDL Advance provides businesses located in low-income communities with additional funds to ensure small business continuity, adaptation, and resiliency.

1. Did your company receive an EIDL Grant less than $10,000 or your company didn’t receive any funds?
2. Is your company located in a low-income community?
	1. Use this link to input your business address to determine your census tract - https://geomap.ffiec.gov/FFIECGeocMap/GeocodeMap1.aspx
	2. Use this link to determine community status by indicating your state and the county within the state - https://www.ffiec.gov/census/default.aspx
3. **Can you demonstrate *more than* 30% reduction in revenue**during an 8-week period beginning on March 2, 2020, or later.
4. Was your business in operations by 1/31/2020?

If so, you may be eligible for “Targeted EIDL Grants”! The SBA states that “additional details on how SBA will identify low-income communities will be available soon on https://www.sba.gov/funding-programs/loans/coronavirus-relief-options.

***WAIT – THERE’S NOTHING FOR YOU TO DO BUT MONITOR YOUR EMAIL SYSTEM BECAUSE… SBA WILL REACH OUT TO EIDL APPLICANTS THAT QUALIFY.***

**SBA 7(a), 504, and Microloans**

**(approximately 52 minutes into the** Gusto Partner Video**)**

Several “new” features were included with the December 2020 legislation:

* **SBA 7(a), 504 & Microloans**
	+ SBA will cover principal and interest payments for certain periods. The period varies depending on when your loan was approved.
	+ For 7(a) and 504 loans, all lender and borrower fees are waived
	+ For Standard 7(a) loans, the loan guarantee amount has increased to 90% until October 1, 2021
	+ A new 504 Express Loan Program has been established
	+ There are other components related to these programs
* **SBA 7(a) Express Loans**
	+ Loans under $350,000 will be guaranteed at 75% until October 1, 2021.
	+ The loan maximum has increased to $1 million until October 1, 2021.

Information for the topics above were obtained from our payroll partner – Gusto at their YouTube video - https://www.youtube.com/watch?v=FBjd-JoK3cs

**“Shuttered Venue Operators Grants”**

The Shuttered Venue Operators (SVO) Grant program was also established by the Economic Aid to Hard-Hit Small Businesses, Nonprofits, and Venues Act, signed into law on December 27, 2020. The program includes $15 billion in grants to shuttered venues, to be administered by the SBA’s Office of Disaster Assistance.

Eligible applicants may qualify for SVO Grants equal to **45% of their gross earned revenue**, with the maximum amount available for a single grant award of $10 million.**$2 billion is reserved for eligible applications with up to 50 full-time employees.**

Eligible entities include:

* Live venue operators or promoters
* Theatrical producers
* Live performing arts organization operators
* Relevant museum operators, zoos and aquariums who meet specific criteria
* Motion picture theater operators
* Talent representatives, and
* Each business entity owned by an eligible entity that also meets the eligibility requirements

Information for the Shuttered Venues program can be obtained using this webinar video from the SBA YouTube video - https://www.youtube.com/watch?v=PdfQGb6z-gg