Understanding Available COVID-19 Relief Options for Businesses



Families First Coronavirus Response Act

- 2 Types of Leave
 - 2 Week Paid Sick Leave
 - 10 Week Paid Family & Medical Leave
- Wages Paid During 4/1-12/31/20
- For all employers under 500 employees
 - Exclusion for those under 50 if meet certain items
- Employers receive 100% refundable payroll tax credit of wages paid and employer match of Medicare (employer not subject to social security match)

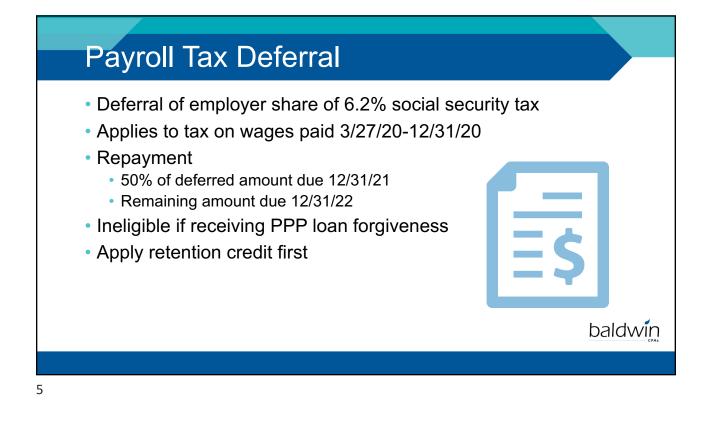
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SBA PPP Loans SBA 7(a) Loan \$359 billion available – used up at this point Funds can be used for payroll costs, rent, utilities and interest on mortgages between 2/15-6/30/20 Available to under 500 employees or SBA sized standard, with exceptions for NAICS 72 2.5 times average monthly payroll costs 100% federal guarantee 100% forgiveness is possible

SBA PPP Guidance

- Interim Final Regulations issued April 2, 2020 stated that additional guidance would be written on forgiveness.
- As of date of webinar there is still no guidance specifically addressing forgiveness.

Three Provision Requirements

- 75/25 requirement
- Full Time Equivalent (FTE) Requirement
- 25% Reduction in Wages Requirement

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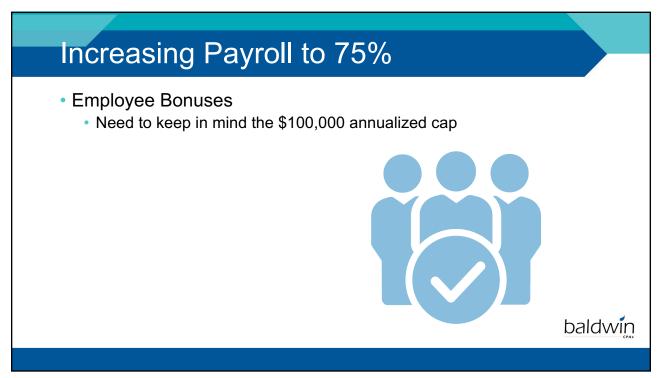
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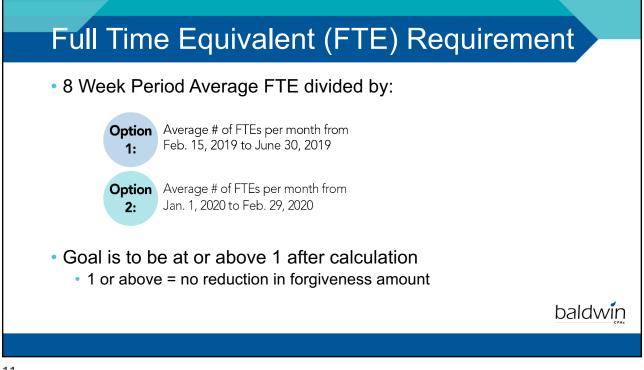
75/25 Rule

 At least 75% of Total Forgivable Expenses Must be Spent on Payroll

Total Loan Amount:	\$150,000		Total Loan Amount:	\$150,000			
		% of Total Loan Amount			% of Total Loan Amount		
Included Payroll Costs	\$120,000	80.00%	Included Payroll Costs	\$100,000	66.67%		
Utilities	\$10,000	6.67%	Utilities	\$15,000	10.00%		
Rent	\$20,000	13.33%	Rent	\$35,000	23.33%		
Meets	Requirement		Does Not Meet Requirement				

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Calculated per employee										
Employee Name	2019 Annual Compensation	Excluded Due to Compensation over \$100K or Reduction is Less than 25%	YTD Gross Wages Earned as of March 31 (1/1/20 - 3/31/20)	YTD Gross Wages Earned as of Date of Loan Disbursement (1/1/20 - X/XX/20)	YTD Gross Wages Earned as of End of 8 Week Period (1/1/20 - X/XX/20)	Amount Earned During Covered Period	% Reduction on Lookback period	Max % of Allowed Reduction	Reduction Amount	
Employee 1	\$65,000.00		\$10,000.00	\$11,000.00	\$17,000.00	\$6,000.00	-40%	25%	(\$1,500.00)	
Employee 2	\$325,000.00	x	\$50,000.00	\$60,000.00	\$80,000.00	\$20,000.00	-60%	25%		
Employee 3	\$97,500.00	x	\$15,000.00	\$18,000.00	\$32,000.00	\$14,000.00	-7%	25%		
Totals	\$487,500.00		\$75,000.00	\$89,000.00	\$129,000.00	\$40,000.00			(\$1,500.00)	

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