



**ASSISTANCE PROGRAMS FOR**  
**SMALL BUSINESSES, 501C3's, SOLE PROPRIETORS, AND INDEPENDENT CONTRACTORS**  
**IMPACTED BY COVID-19**  
**(April 1, 2020)**

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❖ **Paycheck Protection Program (“PPP”) Forgivable Loan Program (“CARES” Act program)**

- ✓ This new program was approved as part of the Congressional relief package known as the “CARES” Act.
  - ✓ Small businesses, not-for-profit organizations, veterans’ organizations, self-employed, sole proprietors, or independent contractors qualify for loans of 250% times your monthly payroll, which can be used for payroll expenses (including health and other benefits), mortgage, lease and utilities.
  - ✓ The loan is 100% forgivable if you maintain your workforce for 8 weeks. The amount of loan forgiveness will be reduced proportionate to any reduction in the number of employees.
  - ✓ Payments are deferred for six months and up to a year; no collateral is required, no personal guarantee is required; no SBA fees.
  - ✓ Interested parties apply directly with banks/lending institutions for this loan program. The bank will calculate the amount of the loan from the tax documents provided that show payroll expenses (including health insurance benefits).
  - ✓ For more information, refer to this Small Business Owner Guide to the CARES Act from the Senate’s Small Business Committee: [click here](#).
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❖ **Small Business Association (SBA) Economic Injury Disaster Loan (Benefits expanded by “CARES” Act.)**

- ✓ The SBA’s Economic Injury Disaster Loan (EIDL) program provides small businesses with low interest loans up to \$2 million that can provide vital economic support to small businesses to help overcome the temporary loss of revenue businesses may be experiencing.
  - ✓ CARES Act waives the requirement for personal guarantees on EIDL loans amounts less than \$200,000 and borrower is not required to have been in business for at least 1 year.
  - ✓ The requirement that borrowers are unable to obtain credit from other sources is waived on EIDL loans.
  - ✓ No cost to apply.
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- ✓ Can work in conjunction with PPP loan program. If you received an EIDL loan related to COVID-19 between January 31, 2020 and the date at which the PPP becomes available, you would be able to refinance the EIDL into the PPP for loan forgiveness purposes. However, you may use both EIDL and PPP loans as long as there is no duplication in the uses of the funds. Remaining portions of the EIDL, for purposes other than those laid out in loan forgiveness terms for a PPP loan, would remain a loan.
  - ✓ To apply for a COVID-19 Economic Injury Disaster Loan, [click here](#).
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❖ **Florida Small Business (SBA) Economic Injury Disaster Loan Advance Program** *(Benefits expanded by “CARES” Act)*

- ✓ In response to the Coronavirus (COVID-19) pandemic, small business owners who apply for an EIDL loan, are eligible to apply for a Loan Advance of up to \$10,000.
  - ✓ SBA has streamlined the process requirements. Loan Advance Funds will be made available within **three days** of a successful application.
  - ✓ **The loan advance will not have to be repaid.**
  - ✓ To apply for a COVID-19 Economic Injury Disaster Advance Loan, [click here](#).
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❖ **SBA Express Bridge Loan Pilot Program** *(Benefits Expanded by “CARES” Act)*

- ✓ This program allows small businesses who currently have a business relationship with an SBA express lender to access up to \$25,000 with less paperwork and fast turnaround. If a business has an urgent need for cash while waiting for a decision or disbursement on an Economic Injury Disaster Loan, it may qualify for this loan program.
  - ✓ The CARES Act increases the maximum SBA Express loan—a loan whose application SBA will process in 36 hours—from \$350,000 to \$1 million through December 31, 2020.
  - ✓ Connect with the South Florida SBA District Office: 305-536-5521 or [SouthFlorida DO@sba.gov](mailto:SouthFlorida_DO@sba.gov)
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❖ **SBA Small Business Automatic Deferment Payments for Existing SBA Disaster Loans**

- ✓ The SBA announced in its March 23, 2020 press release that it will automatically defer payments on current disaster loans through December 31, 2020. According to the announcement borrowers do not have to contact the SBA to request deferment.
  - ✓ To read the press release, [click here](#)
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❖ **SBA Small Business Debt Relief Program for Existing Borrowers of SBA 7A, 504 or Microloans (non-disaster SBA loans) (“CARES” Act)**

- ✓ This program will provide immediate relief to small businesses with non-disaster SBA loans, in particular 7(a), 504, and microloans.
  - ✓ Under it, SBA will cover all loan payments on these SBA loans, including principal, interest, and fees, for six months.
  - ✓ Debt relief is automatic, but you should check with your lender.
  - ✓ This relief will also be available to new borrowers who take out any of these loans within the next six months.
  - ✓ For more information, refer to page 6 in the Small Business Owner Guide from the Senate’s Small Business Committee, [click here](#).
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❖ **Florida Small Business Emergency Bridge Loan Program.**

- ✓ These are short-term, interest-free loans of up to \$50,000 are currently available to small businesses in Florida experiencing economic damage as a result of
  - ✓ COVID-19. They are designed to help bridge the gap between the time the economic impact occurred and when your business secures other financial resources. The application period opened March 17th and runs through May 8th.
  - ✓ For more information and to apply for a State Emergency Bridge Loan, [click here](#).
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❖ **Short-Time Compensation Program.**

- ✓ This program is designed to provide prorated Reemployment Assistance benefits to employees that have had work hours and earnings reduced as part of a Short-Time Compensation plan to avoid a total layoff of some employees.
  - ✓ This program allows Employers to avoid the expense of recruiting, hiring, and training new workers when business conditions improve. While employees are spared the hardships of full unemployment, employers are able to retain employees who can resume high production levels when business conditions improve.
  - ✓ For more information, visit [FloridaJobs.org](#).
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## ❖ Tax Provisions in “CARES” Act That Are Favorable to Business.

### ✓ ***Employee Retention Tax Credit***

Small businesses may be eligible for refundable payroll tax credit for 50 percent of wages paid by employers to employees from March 12, 2020 to January 31, 2021. The credit is available to employers whose (1) operations were fully or partially suspended due to a COVID-19 related government order limiting commerce, travel or group meetings, or (2) gross receipts declined by more than 50 percent when compared to the same quarter in the prior year. This credit is not available to employers receiving assistance through the PPP.

### ✓ ***Advanced Tax Credits for Paid Leave***

The CARES Act allows employers to receive an advance tax credit for required paid sick leave (under the Families First Coronavirus Response Act) instead of having to be reimbursed.

### ✓ ***Delay of Payment of Employer Payroll Taxes***

Employers and self-employed individuals may defer payment of the employer share of the Social Security tax they otherwise are responsible for paying.

### ✓ ***Net Operating Loss Modifications***

The provision relaxes the limitations on a company’s use of losses. Net operating losses (NOLs) are currently subject to a taxable-income limitation, and they cannot be carried back to reduce income in a prior tax year. 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.

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## ❖ Assistance to Businesses and Not-for-Profits for Paid Sick and Expanded Family Leave for Employees impacted by COVID-19. (Benefit from the “Families First Coronavirus Response” Act)

✓ Gives small businesses funds to provide employees with paid sick leave, either for the employee’s own health care needs, or to care for family members affected by COVID-19.

✓ These provisions will apply from the effective date through December 31, 2020.

✓ The Department of Labor’s Wage and Hour Division administers and enforces the new law’s paid leave requirements.

✓ For US Department of Labor fact sheets with information and details, [click here](#) and [click here](#).

✓ For more information, go the US Department of Labor: [click here](#).

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❖ **Small Business Administration Recovery webinars.**

- ✓ The SBA is hosting ongoing webinars to provide the latest information on how the SBA is helping small businesses with their economic recovery, and how to access assistance programs.
  - ✓ The webinars are free to attend and are limited to 250 registered attendees. For information about upcoming webinars, [click here](#).
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❖ **DEO Business Damage Assessment Survey.**

- ✓ This is a critical (and required) piece of DEO's efforts to gather information need to evaluate and access tools to help your business potentially lessen the impact of COVID-19, and help the economy recovery.
  - ✓ To complete the survey, [click here](#).
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**Please stay tuned for updates to this information.**

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