



FOR THE LIFE OF YOUR BUSINESS

Running a Business Amid the COVID 19 Crisis



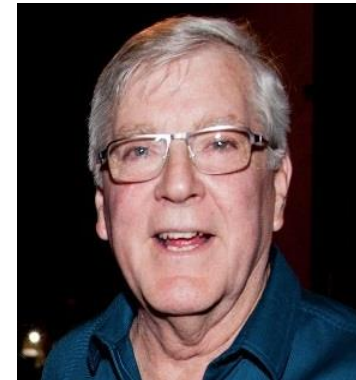
Presenter
George Gremse
SCORE Volunteer



Speaker
Dr. Jeremy Earle
Assistant City Manager/CRA
Executive Director



Moderator
Dave Harris
SCORE Volunteer



Key Focus Points

- You are the business – keep it healthy
- Keep evaluating where your business stands
- Conserve cash
- Take advantage of government programs
- Communicate with your customers
- Build a plan to bounce back



FOR THE LIFE OF YOUR BUSINESS

Evaluate where you are



Know where your business stands

Assess the current state of your business.

- **Operational Impacts**

- Lost sales and income – all or some?
- Vendor situation – able to supply goods & services?
- Customer situation – Are they shut down, operating?
- Competitor situation – gathering resources, weakening?
- Determine how fast can you ramp up when you get over the hump

- **Calculate your cash position**

- Excel cash flow worksheet

Starting date
Cash balance alert minimum

Mar-20

	Beginni	Apr-20	May-20	Jun-20	Jul-20	Aug-20	Sep-20	Oct-20	Nov-20	Dec-20	Total
Cash on hand (beginning of month)											

CASH RECEIPTS		Apr-20	May-20	Jun-20	Jul-20	Aug-20	Sep-20	Oct-20	Nov-20	Dec-20	Total
Cash sales											0
Returns and allowances											0
Collections on accounts receivable											0
Interest, other income											0
Loan proceeds											0
Owner contributions											0
TOTAL CASH RECEIPTS											0
Total cash available		0	0	0	0	0	0	0	0	0	

CASH PAID OUT		Apr-20	May-20	Jun-20	Jul-20	Aug-20	Sep-20	Oct-20	Nov-20	Dec-20	Total
Advertising											0
Commissions and fees											0
Contract labor											0
Employee benefit programs											0
Insurance (other than health)											0
Interest expense											0
Materials and supplies (in COGS)											0
Meals and entertainment											0
Mortgage interest											0
Office expense											0
Other interest expense											0
Pension and profit-sharing plan											0
Purchases for resale											0
Rent or lease											0
Rent or lease: vehicles, equipment											0
Repairs and maintenance											0
Supplies (not in COGS)											0
Taxes and licenses											0
Travel											0
Utilities											0
Wages (less emp. credits)											0
Other expenses											0
Other expenses											0
Other expenses											0
Miscellaneous											0
SUBTOTAL		0	0	0	0	0	0	0	0	0	0
CASH PAID OUT		Apr-20	May-20	Jun-20	Jul-20	Aug-20	Sep-20	Oct-20	Nov-20	Dec-20	Total
Loan principal payment											0
Capital purchases											0
Other startup costs											0
To reserve and/or escrow											0
Owners' withdrawal											0
TOTAL CASH PAID OUT		0	0	0	0	0	0	0	0	0	0
Cash on hand (end of month)	0	0	0	0	0	0	0	0	0	0	

Starting date	Mar-20
Cash balance alert minimum	500

	Beginning	Apr-20	May-20	Jun-20
Cash on hand (beginning of month)	2,500	2,500	1,000	5,200

CASH RECEIPTS		Apr-20	May-20	Jun-20
Cash sales			1,000	
Returns and allowances				
Collections on accounts receivable		500	200	
Interest, other income				
Loan proceeds			5,000	
Owner contributions				
TOTAL CASH RECEIPTS		500	6,200	0
Total cash available	2,500	3,000	7,200	5,200

CASH PAID OUT		Apr-20	May-20	Jun-20
Advertising				
Commissions and fees				
Contract labor				
Employee benefit programs				
Insurance (other than health)		150	150	
Interest expense		100	100	
Materials and supplies (in COGS)				
Meals and entertainment				
Mortgage interest				
Office expense				
Other interest expense				
Pension and profit-sharing plan				
Purchases for resale				
Rent or lease		1,000	1,000	
Rent or lease: vehicles, equipment		350	350	
Repairs and maintenance				
Supplies (not in COGS)				
Taxes and licenses				
Travel				
Utilities		200	200	
Wages (less emp. credits)				
Other expenses				
Other expenses				
Other expenses				
Miscellaneous				
SUBTOTAL		1,800	1,800	0
CASH PAID OUT		Apr-20	May-20	Jun-20
Loan principal payment		200	200	
Capital purchases				
Other startup costs				
To reserve and/or escrow				
Owners' withdrawal				
TOTAL CASH PAID OUT		2,000	2,000	0
Cash on hand (end of month)	2,500	1,000	5,200	5,200



FOR THE LIFE OF YOUR BUSINESS

Cash

Conserving it & getting more



Conserve Cash

- Delay or extend payments on invoices
- Get deposits or upfront payments
- Offer early payment discounts
- Exchange goods & services (barter)
- Reduce staff hours
- Repair/lease equipment vs. buy
- Keep the business lean

Delay or extend terms on paying bills

- Vendors are aware of the situation
 - Asking rarely hurts
- Look at your big-ticket items first
 - Major suppliers
 - Mortgage
 - Rent
 - Utilities
- Florida Power & Light
 - <https://www.fpl.com/coronavirus.html>
- Banks (Mortgages/Loans)
 - Bank of America
 - Capital One
 - Chase
 - Citibank
 - PNC
 - Truist
 - U.s. Bank
 - Wells Fargo

Build a War Chest

- Build a “war chest”
- Activate any lines of credit
- Evaluate loans and grants
- Sell any assets you do not need anymore
- Offer customers discounts on early payments
 - Example: 2% discount for payment within 10 days of invoice date
- Offer Gift Certificates
 - <https://www.kabbage.com/helpsmallbusiness> Gift Certificates
- Start your own loan request
 - <https://wefunder.com/loans> You set up an online offer to borrow money.
- Watch for unusual opportunities
 - Facebook Small Business Grant Program
<https://www.facebook.com/business/boost/grants?ref=eml>
 - Amazon Neighborhood Small Business Relief Fund -
<https://amazonsmallbusinessrelief.force.com/SelfRegisterPage>
 - Yelp/GoFundMe - <https://www.gofundme.com/f/smallbusinessrelieffund>



FOR THE LIFE OF YOUR BUSINESS

Government Assistance



Sources

Small
Business
Association
(SBA)

Internal
Revenue
Service
(IRS)

State of Florida
Department of
Economic
Opportunity
(DEO)

State of Florida
Reemployment
(DEO)

Gov't Assistance Landscape

			Small Business	Sole	Independent
Program	Type	Amount	With employees	Proprietors	Contractors
Employee Retention Credits	Refundable tax credit	\$5,000/employee	Yes	?	?
Deferral of Employer Payroll Tax	Loan	6.2% of wages through	Yes	Yes	Yes
Recovery Rebates	Cash	\$1,200	Some	Yes	Yes
Paycheck Protection Program	Loan (forgiveness)	2.5x monthly payroll	Yes	Yes	Yes
SBA Economic Injury Disaster Loan	Loan	\$2 Million	Yes	Yes	Yes
SBA Economic Injury Disaster Grant	Cash	\$10,000	Yes	Yes	Yes
Pandemic Unemployment Assistance	Cash	\$600/wk		Yes	Yes
FL State Emergency Small Business Bridge Loan	Loan	\$50,000	Yes	Some	Maybe
Business Tax Relief (Deductations/refunds)	Deductions & refunds		Yes	Yes	Yes

Forgivable SBA Loan Program

Economic Injury Disaster Grant

- \$10,000
- Apply for an Economic Injury Disaster Loan
- Request up to a \$10,000 advance
- Advance does not have to be repaid even if you do not get the loan

Payroll Protection Loan

- Loan amount is 2.5 times the company's (sole proprietor - Independent contractor- non-profit's) average monthly payroll
- The amount of the loan spent in the first 8 weeks on expenses related to keeping people working can be forgiven

SBA Disaster Assistance Loans for Small Businesses

- **Economic Injury Disaster Loan**

- Available to small businesses, sole proprietors, independent contractors operating before 1/31/20
- Used to pay fixed debts, payroll, accounts payable and other bills that can't be paid because of the disaster's impact
- Up to \$2 Million; up to 30 years
- 3.75% interest rate for businesses (principal and interest deferment up to 4 yrs.)
 - 2.75% for non-profits
- Can be approved based only on credit score
- If under \$200,000 no personal guarantee; Pledge collateral where available
- \$10,000 emergency grant available with this application. 3 days after application
- Avg 18-21 days for yes/no notifications. 5 more days to get the check, if yes.
- **Apply by December 31, 2020**

<https://covid19relief.sba.gov/#/>



OMB Control #3247-0406

Expiration Date: 09/30/2020

Disaster Loan Assistance

Federal Disaster Loans for Businesses, Private Non-profits, Homeowners and Renters

COVID-19 ECONOMIC INJURY DISASTER LOAN APPLICATION



DISCLOSURES



BUSINESS INFORMATION



BUSINESS OWNERS INFORMATION



ADDITIONAL INFORMATION



SUMMARY

STREAMLINED PROCESS REQUIREMENTS

SBA is collecting the requested information in order to make a loan under SBA's Economic Injury Disaster Loan Program to the qualified entities listed in this application that are impacted by the Coronavirus (COVID-19). The information will be used in determining whether the applicant is eligible for an economic injury loan. If you do not submit all the information requested, your loan cannot be fully processed.

The Applicant understands that the SBA is relying upon the self-certifications contained in this application to verify that the Applicant is an eligible entity to receive the advance, and that the Applicant is providing this self-certification under penalty of perjury pursuant to 28 U.S.C. 1746 for verification purposes.

The estimated time for completing this entire application is two hours and ten minutes, although you may not need to complete all parts. You are not required to respond to this collection of information unless it displays a currently valid OMB approval number.

ELIGIBLE ENTITY VERIFICATION

Choose One:

To Speak to someone



SBA Disaster Loan Virtual Office Hours

Monday - Friday

9:00 A.M – 5:00 P.M.

The U.S. Small Business Administration South Florida District Office will host virtual office hours to answer questions about the **SBA Economic Injury Disaster Loan Program**. Limited to 250 callers at one time. Participants may call at anytime and are welcome to enter and exit at will. Callers will be muted upon entry and will be taken in the order they are received.

Skype: <https://meet.lync.com/sba123/aaharris/0S1GVCJ7>

Phone: (202) 765-1264; Conference ID - 162817288

SBA Disaster Loan Virtual Office Hours in SPANISH

1:00 pm - 3:00 pm

Skype: <https://meet.lync.com/sba123/aaharris/ZVB7FP6N>

Phone: (202) 765-1264; Conference ID - 812319792

Ways to Connect with SBA South Florida:

Website: www.sba.gov/southflorida

Email: SouthFlorida_DO@sba.gov

Twitter: @SBA_SouthFL

Subscribe to our [YouTube](#) channel!

Paycheck Protection Program – FA\$TRAK

- Up to \$10 Million - Loan designed to incent small businesses to keep their workers on payroll
- Loan will be forgiven if all employees are kept on payroll for the first 8 weeks after the loan is received & money is used for Payroll, rent, mortgage interest, or utilities
- Retroactive to Feb. 15, 2020 so employers can rehire recently laid off employees through June 30, 2020
- Available through June 30, 2020
- Details: <https://home.treasury.gov/policy-issues/top-priorities/cares-act/assistance-for-small-businesses>

Size of Loan

- 2.5X the average monthly payroll for 2019
 - Include tips, health insurance, retirement contrib.
- If new business use avg. monthly payroll for January & February 2020
- For seasonal businesses use average monthly period for February 15 to June 30, 2019

Include in Payroll Calculations

- Employee salaries
- Employee hourly wages
- Payment of cash tips
- Payment of vacation leave
- Payment of parental, family medical or sick leave
- Payment of group health benefits
- Allowance for dismissal or separation
- State or local taxes
- Sole proprietor or self-employed can only show up to \$100,000/yr even if they make more

Exclude in Compensation Calculations

- Compensation of an individual employee in excess of an annual salary of \$100,000, as pro-rated for the one-year period up to the loan date
- Federal payroll taxes (FICA, Medicare, FUTA)
- Compensation of any employee whose principal residence is outside of the United States

How do I calculate my average monthly PAYROLL COSTS?



sum of
INCLUDED
payroll costs

sum of
EXCLUDED
payroll costs

=
**PAYROLL
COSTS**

INCLUDED Payroll Cost:

- 1. For Employers:** The sum of payments of any compensation with respect to employees that is a:
 - salary, wage, commission, or similar compensation;
 - payment of cash tip or equivalent;
 - payment for vacation, parental, family, medical, or sick leave
 - allowance for dismissal or separation
 - payment required for the provisions of group health care benefits, including insurance premiums
 - payment of any retirement benefit
 - payment of state or local tax assessed on the compensation of the employee
- 2. For Sole Proprietors, Independent Contractors, and Self-Employed Individuals:** The sum of payments of any compensation to or income of a sole proprietor or independent contractor that is a wage, commission, income, net earnings from self-employment, or similar compensation and that is in an amount that is not more than \$100,000 in one year, as pro-rated for the covered period.

EXCLUDED Payroll Cost:

1. Compensation of an individual employee in excess of an annual salary of \$100,000, as prorated for the period February 15, to June 30, 2020
2. Payroll taxes, railroad retirement taxes, and income taxes
3. Any compensation of an employee whose principal place of residence is outside of the United States
4. Qualified sick leave wages for which a credit is allowed under section 7001 of the Families First Coronavirus Response Act (Public Law 116-5127); or qualified family leave wages for which a credit is allowed under section 7003 of the Families First Coronavirus Response Act

Prepared by the **U.S. CHAMBER OF COMMERCE**

Paycheck Protection Program

- Who can apply
 - Small business with fewer than 500 employees in business before 2/15/20 affected by the coronavirus/COVID-a9
 - Sole proprietors
 - Independent contractors
 - Self-employed
 - Private non-profits
 - Veterans organizations
- Banks are being told:
 - You will need to verify that a borrower was in operation on February 15, 2020. You will need to verify that a borrower had employees for whom the borrower paid salaries and payroll taxes. You will need to verify the dollar amount of average monthly payroll costs. You will need to follow applicable Bank Secrecy Act requirement

Forgiveness


- Loan is fully forgiven if:
 - Funds are used for payroll, mortgage interest, rent, utilities (75% needs to be payroll)
 - Forgiveness based on maintaining or quickly rehiring employees and maintaining salary levels
 - Forgiveness is reduced pro-rata if headcount or if salaries and wages decrease. i.e. compensation is down 15% then forgiveness is reduced 15%
 - Note, if you have accessed other programs like Family First you cannot include that compensation paid to employees on sick leave or family leave
 - Also, If the SBA Economic Injury Disaster Loan \$10,000 Grant was received it looks like that will be deducted
 - <https://vermontbiz.com/news/2020/april/01/sba-rolling-out-significant-financial-assistance-eidl-and-ppp>

Features

- Interest rate of 0.5%
- Maturity of 2 years
- First payment deferred for six months
- 100% guarantee by SBA
- No collateral
- No personal guarantees
- No borrower or lender fees payable to SBA

How to apply

- Check with your bank for how to apply
 - April 3 – small businesses & sole proprietors
 - April 10 – Self-employed & Independent Contractors
- You will apply for the loan
- After you receive the loan you will have to go back with proof of use and apply for forgiveness
- TD Bank, Wells Fargo, Chase, Citi, BB&T, BOA, PNC, Fifth Third, BankUnited

 **Paycheck Protection Program Application Form**

OMB Control No.: 3245-0407
Expiration Date: 09/30/2020

<input type="checkbox"/> Non-Profit <input type="checkbox"/> Vet Org <input type="checkbox"/> Tribal <input type="checkbox"/> Ind. Cont. <input type="checkbox"/> Self Employed <input type="checkbox"/>		DBA or Tradename if applicable	
Business Legal Name			
Business Primary Address		Business TIN (EIN,SSN)	Business Phone () -
		Primary Contact	Email Address

Average Monthly Payroll: \$	X 2.5 equals Loan Amount: \$	Number of Jobs:
Purpose of the loan (select more than one):		
<input type="checkbox"/> Payroll <input type="checkbox"/> Rent / Mortgage Interest <input type="checkbox"/> Utilities <input type="checkbox"/> Other (explain):		

Applicant Ownership

List all owners of Applicant with greater than 20% ownership stakes. Attach a separate sheet if necessary.

Owner Name	Title	Ownership %	TIN (EIN,SSN)	Address

If questions (1) or (2) below are answered "Yes," the loan will not be approved.

Question	Yes	No
1. Is the Business or any owner presently suspended, debarred, proposed for debarment, declared ineligible, voluntarily excluded from participation in this transaction by any Federal department or agency, or presently involved in any bankruptcy?	<input type="checkbox"/>	<input type="checkbox"/>
2. Has the Business, any of its owners, or any business owned or controlled by any of them, ever obtained a direct or guaranteed loan from SBA or any other Federal agency that is currently delinquent or has defaulted in the last 7 years and caused a loss to the government?	<input type="checkbox"/>	<input type="checkbox"/>
3. Is the Business or any owner an owner of any other business or have common management with any other business? If yes, attach a listing of all Affiliates and describe the relationship as addendum A.	<input type="checkbox"/>	<input type="checkbox"/>
4. Has the Business received an SBA Economic Injury Disaster Loan between January 31, 2020 and April 3, 2020? If yes, provide details on a separate sheet identified as addendum B.	<input type="checkbox"/>	<input type="checkbox"/>

Applicants who are individuals and all 20% or greater owners of the business must answer the following questions. If questions (5) or (6) are answered "Yes" or question (7) is answered "No," the loan will not be approved.

Question	Yes	No
5. Are you presently subject to an indictment, criminal information, arraignment, or other means by which formal criminal charges are brought in any jurisdiction, or presently incarcerated, on probation or parole? <div style="text-align: right; font-size: small;">Initial here to confirm your response to question 5 →</div>	<input type="checkbox"/>	<input type="checkbox"/>
6. Within the last 7 years, for any felony or misdemeanor for a crime against a minor, have you: 1) been convicted; 2) pleaded guilty; 3) pleaded nolo contendere; 4) been placed on pretrial diversion; or 5) been placed on any form of parole or probation (including probation before judgment)? <div style="text-align: right; font-size: small;">Initial here to confirm your response to question 6 →</div>	<input type="checkbox"/>	<input type="checkbox"/>
7. <input type="checkbox"/> I am a U.S. Citizen OR <input type="checkbox"/> I have Lawful Permanent Resident status <input type="checkbox"/> No <div style="text-align: right; font-size: small;">Initial here to confirm your response to question 7 →</div>		_____

Payroll Protection Example

- Example

- Company with owner + 3 employees

- 2019 compensation was \$190,000
 - \$30,000 /employee; \$60,000 for owner
 - \$25,000 group healthcare
 - \$15,000 retirement programs
- Equals = $\$15,833/\text{month} \times 2.5 = \$39,583$ potential loan
- Spend the \$39,583 in the 8 weeks after getting the loan on payroll, rent, utilities & the loan is forgiven
- Spend \$30,000 and the unforgiven \$9,583 becomes a 0.5% loan for the next year and 10 months

Payroll Protection Example

- Self-employed or Independent contractor
 - 2019 paid your self wages of \$55,000
 - 2019 healthcare insurance premium was \$8,000
 - 2019 contribution to retirement account was \$5,000
 - 2019 total compensation cost was \$68,000
 - Average monthly compensation was \$5,667
 - Loan requested = $\$5,667 \times 2.5 = \$11,333$

Summary

PPP: A recipient can use loan proceeds under the PPP only to cover the following costs:

- Payroll costs (including salary, wages, commissions, retirement and medical benefits, etc.)⁵;
- Mortgage payments;
- Rent;
- Utilities; and
- Interest on loans obtained prior to February 15, 2020.

An applicant must certify in good faith that the loan only will be used to cover allowed costs.

EIDL: The CARES Act expands the allowable uses of EIDLs to cover:

- Working capital to continue business operations;
- Necessary expenditures to alleviate the specific economic injury suffered;
- Sick leave to employees unable to work due to the direct effects of COVID-19;
- Maintaining payroll;
- Increased supply costs;
- Rent or mortgage payments; and
- Repaying debt that cannot be otherwise repaid due to revenue losses.

Importantly, EIDL proceeds cannot be used to refinance debt incurred prior to the disaster, repair physical damage, or pay dividends.



FOR THE LIFE OF YOUR BUSINESS

Quick Florida State Bridge Loan



Florida Small Business Emergency Bridge Loan

- Short Term
 - 12 months
- Interest Free
 - 1st year, then default & 12% interest
- Max \$50,000
- Funds used to maintain or restart a business not pay off old debts
- Unsecured – no collateral required
- For-profit small businesses with 2-100 employees
 - Independent contractors might count as staff
- Must apply by May 8th
 - <https://floridadisasterloan.org/>

Where to go for help

1 Florida SBDC at UWF
(850) 474-2528 | sbdc@uwf.edu
Serving the following counties: Bay, Calhoun, Escambia, Gulf, Holmes, Jackson, Okaloosa, Santa Rosa, Walton, and Washington County

2 Florida SBDC at FAMU
(850) 599-3407 | sbdcfamu@gmail.com
Serving the following counties: Franklin, Gadsden, Jefferson, Leon, Liberty, Madison, Taylor, and Wakulla County

3 Florida SBDC at UNF
(904) 620-2476 | smallbiz@unf.edu
Serving the following counties: Alachua, Baker, Bradford, Citrus, Clay, Columbia, Dixie, Duval, Gilchrist, Hamilton, Lafayette, Levy, Marion, Nassau, Putnam, St. Johns, Suwannee, and Union County

4 Florida SBDC at UCF
(407) 420-4850 | sbdc@ucf.edu
Serving the following counties: Brevard, Flagler, Lake, Orange, Osceola, Seminole, Sumter, and Volusia County

5 Florida SBDC at USF
(813) 905-5800
Serving the following counties: DeSoto, Hardee, Hernando, Highlands, Hillsborough, Manatee, Pasco, Pinellas, Polk, and Sarasota County

6 Florida SBDC at FGCU
(239) 745-3700
Serving the following counties: Charlotte, Collier, Glades, Hendry, and Lee County

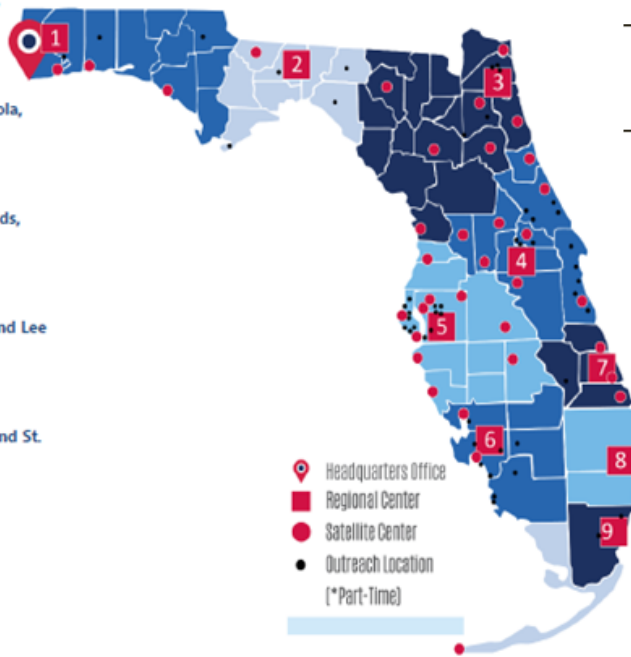
7 Florida SBDC at IRSC
(772) 462-7296
Serving the following counties: Indian River, Martin, Okeechobee, and St. Lucie County

8 Florida SBDC at FAU
(954) 762-5235
Serving the following counties: Palm Beach and Broward County

9 Florida SBDC at FIU
(305) 779-9230
Serving the following counties: Miami-Dade and Monroe County



www.FloridaSBDC.org/locations

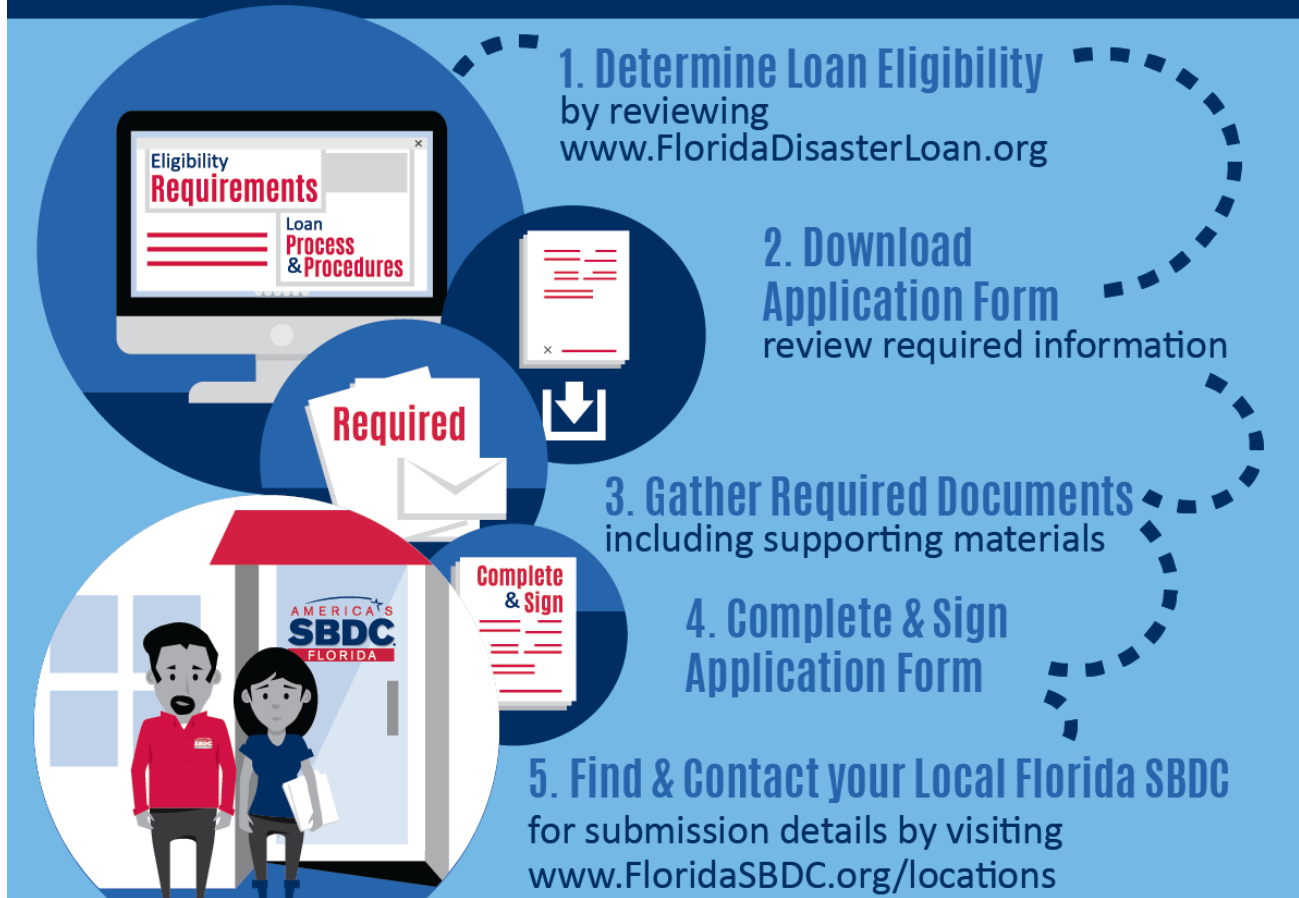


SBDC – Help in filling out loan applications

- SBDC at FAU – Broward & Palm Beach counties
 - (954) 762-5235
 - <http://www.fau.edu/sbdc/>
- SBDC at FIU – Miami-Dade County
 - (305) 779-9230
 - <https://business.fiu.edu/centers/sbdc>

Florida Emergency Bridge Loan

5 Step Process for the Florida Small Business Emergency Bridge Loan Program



Detailed info will be sent to your email

Florida Emergency Bridge Loan info SBA Economic Injury Disaster Loan Info



35 Pages



16 Pages

Possible strategy

- Apply for SBA Economic Injury Disaster Loan for \$15,000 and request a \$10,000 advance
 - Ultimately you need be able to document your economic damage
 - Apply for the Payroll Protection Loan for \$8,000
 - Apply for the Florida Emergency Small Business Bridge Loan for \$15,000
-
- Get the \$10,000 grant.
 - If the rest of the SBA loan comes in - \$5,000 – do not use any of those funds for payroll for the same 8 weeks that the Payroll Protection covers. Use it for accounts payable and debts owed. After the 8 weeks you can use for anything.
 - Use the Payroll Protection \$8,000 to pay the first two months of compensation expenses, rent, utilities
 - If the Florida Bridge Loan comes in use it for the rest of 2020 as working capital

SBA loan documentation

Filing Requirements

The following sections are required for all loan applications. A green check mark indicates that a section has been completed. Alternate [document delivery options](#) are available if needed.

Complete the **Disaster Business Loan Application** (SBA Form 5).

Disaster Business Loan Application

Start

Complete, sign and date each **Personal Financial Statement** (SBA Form 413) shown below.

Personal Financial Statement

Complete preceding section(s) first.

Complete each **Schedule of Liabilities** (SBA Form 2202) shown below.

Schedule of Liabilities

Complete preceding section(s) first.

Complete each **Request for Transcript of Tax Return** (IRS Form 4506-T) shown below.

Request for Transcript of Tax Return

Complete preceding section(s) first.

Complete copies, including all schedules, of the most recent Federal income tax returns for the applicant business; an explanation if not available

Applicant Business Federal Tax Return

Complete preceding section(s) first.

Read and accept the Truthful Information Certification.

Truthful Information Certification

Complete preceding section(s) first.

Submit Application and Supporting Documents.

Submit Application

Complete preceding section(s) first.

Get your 2019 taxes done if they tell a good story





FOR THE LIFE OF YOUR BUSINESS

Small Business IRS Based Relief Programs



Hallandale Beach
COMMUNITY REDEVELOPMENT AGENCY

How cash is accessed

- Deferring tax payments to the IRS
- Receiving tax return refunds in advance
- Refiling past taxes for refunds
 - Due to new allowances that can be retroactive

Employer Tax Credits for Employee Retention

Requirements

- Applies to eligible wages paid from 3/13/20 to 12/31/20
- “Small business” with 100 or employees or less qualify for the credit if
 - Business must be fully or partially suspended due to government orders
 - Or, gross receipts for business have declined for a quarter have to less than 50% of the same quarter last year
 - Covers each coming quarter until the gross revenues return to 80% of the prior year
- **Wages covered by payment from PPA or FFCRA programs cannot be counted**

Details

- This is a refundable payroll tax credit equal to 50% of eligible wages, including healthcare costs, paid after March 12th
- The maximum amount of an employee’ wage that is covered is \$10,000. So the credit is capped at \$5,000 per employee
- If you had to lay off some staff the compensation you would have paid them is included.
- **How to access the cash involved:**
 - IRS needs to issue details. Probably will be refunds and credits from the quarterly 941 forms you file. First quarter 2020 is due in April so cash could be generated quickly
 - <https://www.irs.gov/coronavirus>

Employer Tax Credits for Employee Retention - Example

Company has 10 employees

- 10 employees
 - \$2,000/month avg. wage/person
 - \$500/month avg. Healthcare cost/person
 - \$2,500/month total compensation cost/month/employee
 - \$25,000 total staff compensation per month
 - \$100,000 total staff compensation for 4 months

Impact

- CARES provides a tax credit equal to 50% of wages paid by employers to employees during the COVID-19 crisis
- Applies to the first \$10,000 of compensation, including health benefits, paid to an eligible employee
- The “employee retention credit” gives you a \$5,000 tax credit/employee
- That is a \$50,000 tax credit in this example
- This is a “refundable tax credit”. If you have no taxable income due to Covid-19 you still get the \$50K

Deferral of Employer Payroll Tax and Self-Employment Tax

Requirements

- No requirement
- Can defer payroll tax payments from March 28th through December 31, 2020
- This can be, in effect, a 33% interest free loan that must be repaid
- **Not available to firms that apply for Forgivable SBA Programs PPA or FFCRA**

Details

- Employers can defer the employer's 6.2% social security tax deposits not yet deposited by March 27, 2020
 - 50% of any deferrals are due Dec. 31, 2021
 - The remaining 50% is due Dec 31, 2022
- Similar deferral is permitted for the equivalent share of self-employed tax for self-employed individuals
- Some danger here. Gov't can come after you hard for these loans. Can seize responsible owners' personal assets

Deferral of Employer Payroll Tax and Self-Employment Tax

- Example:
- Employer pays \$25,000 in wages/month
 - Employers portion of Social Security due is \$1,550 (6.2%)
 - Does not pay March-June = \$6,200 deferral
 - \$3,100 due December 31, 2021
 - \$3,100 due December 31, 2020
- Self-employed
 - Pays oneself \$5,000 per month
 - Total Social Security withholding due is 12.4% or \$620
 - The “employer” portion or 6.2% can be deferred or \$310/mo.
- Remember – this is money due. Has to be paid in '21,'22

Opportunities to reduce business income taxes

Details

- CARES provides several opportunities to restate past taxes and generate refunds or credits:
 - Depreciation – some qualified improvement properties – 100% bonus depreciation and a 15-year recovery period – leasehold, retail, restaurants – back to 2017
 - Increased business interest expense limitations from 30% to 50% for 2019 & 2020
 - Net operating losses arising in FY '18, '19, & '20 can be carried back 5 yrs. 80% limit has been removed
 - Changes for excess business losses from pass-throughs
 - Corporate charitable deduction limit raised to 25% from 10% of taxable income

Requirements

- These are all ways of preserving cash through reduced future tax payments or applying for refunds from prior years tax payments.
- Access is via the IRS and tax returns



FOR THE LIFE OF YOUR BUSINESS

Owner generated cash sources

Individual Tax Relief

Recovery Rebates

- Individuals can receive up to \$1,200 Married couples up to \$2,400
- Parents - \$500 for each child under the age of 17
- No payments for single filers over \$99K, heads of households over \$136.5K, joint filers over \$198K
 - These limits are increased by \$10K for each eligible child

Details

- Need a work eligible (normal) SSN
- Calculations are based on the latest of 2018 or 2019 tax filings
- These “rebates” are treated as advance refunds of credits against a person’s 2020 taxes
 - There will be a settlement when 2020 taxes are filed.
 - If your 2020 refund is greater than the rebate you received, you will get the difference
 - If the rebate turns out to be more than the 2020 refund you will not have to pay the difference
- Taxpayers with no income or whose income comes from gov’t. programs and do not file tax returns – are still eligible
- **How to access the cash;**
 - Check are being calculated and starting on their way to you based on your last income tax filing
 - <https://www.irs.gov/coronavirus>

Other cash opportunities

Details

- **Retirement funds**
 - Minimum required distributions are waived
 - Early withdrawal penalty waived
 - Recontributions allowed
- **Charitable Contributions**
 - \$300 without itemizing
- **Employer-paid student loan repayments**
 - Employer can contribute up to \$5,250 of an employee's student loan repayments from March 28, 2020 – Dec. 31, 2020

Details

- Retirement funds can be withdrawn by the individual
- Charitable contributions would be a tax return benefit
- Employers contributing cash to make student loan payments has immediate cash impact
- **How to access cash:**
 - Contact your retirement fund company
 - Ask your employer to pay your student loan bill



FOR THE LIFE OF YOUR BUSINESS

Family First Coronavirus Response Act

FFCRA

Government Programs

- **Government programs are being funded for:**
 - Family First Coronavirus Response Act (**FFCRA**)
 - Emergency Family & Medical Leave Expansion Act
 - Emergency Paid Sick Leave Act
 - Tax Credits for Paid Sick & Family Medical Leave Act
 - Sole proprietors can qualify
 - Unemployment insurance
 - Food
 - Medical aid
- **Pay attention to news releases and apply**
 - Sole proprietors can qualify for some of the tax credits
 - Employers with under 50 employees need to ask for exemption if they cannot front the cost of paying employees on leave
 - Not a time to sit back to wait and see.
 - Some programs may have limited funding so do not be last in line
 - <https://www.gibsondunn.com/departments-of-labor-issues-guidance-on-families-first-coronavirus-response-act/>

..The Secretary is also empowered to exempt small businesses with fewer than 50 employees from the paid leave requirements if compliance would jeopardize the viability of the business as a going concern.^[22] The guidance issued by the Division directs businesses wishing to utilize this small business exemption to document why the business “meets the criteria set forth by the Department, which will be addressed in more detail in forthcoming regulations.”^[23] However, businesses are not supposed to send any of this documentation to the Division at the current time.^[24]

FFCRA - Summaries

Law firm summary



<https://bit.ly/3dlyTue>

Time Magazine Summary

- Companies with less than 500 employees will have to front the costs of paid sick and emergency leave but will later be eligible for reimbursement tax credits from the government.
- For paid sick leave wages provided to employees who must quarantine because they are sick with COVID-19 or are trying to obtain a diagnosis, companies will be reimbursed up to \$511 per employee per day.
- For paid sick leave wages provided to employees caring for loved ones, employers will be reimbursed up to \$200 per worker per day.
- Self-employed individuals are also eligible for the reimbursable tax credits.
- Companies with less than 50 employers who wish to apply for an exemption to the paid leave mandate because they think it would “jeopardize the viability” of their business can reach out to the Department of Labor.

<https://bit.ly/2xcNpUt>

Florida Restaurant & Lodging Ass. Summary

<https://bit.ly/2U8vFm9>



FOR THE LIFE OF YOUR BUSINESS

Unemployment

Pandemic Unemployment Assistance

PUA Program

- Creates a temporary unemployment program through 12/31/20 that includes:
 - Self-Employed
 - Independent contractors
 - People with limited work history
- \$600/wk. to people qualifying for up to 4 months in addition to state UI payments – thru July 31, 2020
- Additional 13 weeks of UI after state UI expires. (39 weeks total)
- Will cover the usual 1-week state waiting period
- Will reimburse states for “short-time” programs

Details

- Effective 1/27/20 – 12/31/20
- <http://floridajobs.org/Reemployment-Assistance-Service-Center/reemployment-assistance/claimants/apply-for-benefits>



FOR THE LIFE OF YOUR BUSINESS

Communicating with customers

Communicate with Customers



If your business is open let them know that

- Takes away the guessing
- Advise of precautions you are taking
 - Disinfecting equipment throughout the day
 - Keeping social distance
 - Protective barriers
- Evaluate offering incentives
- Increases your social media presence

If your business is closed stay in touch

- Shift to online sales
 - Stream or video chat your services – tutors, personal trainers, therapists, in-house nail & hair touch up coaching
 - If a restaurant or bar owner send out recipes to use at home
 - Educational centers offer tools parents can use for home schooling or entertainment of the children
 - Give updates on what is happening in your business circle
 - Offer discounts on future work with payments now

Maintain Contact

Is coronavirus impacting your business?

Recent developments with coronavirus (COVID-19) are impacting small businesses around the globe.

Keep your customers aware of any changes to day-to-day operations.

Be sure to include details your customers should know about like your hours, product availability, and any precautions you're taking regarding the virus.

Consider the following tips to communicate the above information with your customers:



1. Update your website.



2. Email your customers.



3. Post to social channels and pin those posts to the top of your feed if possible.



4. Update your details on your Google My Business profile and any other sites where you have a listing.



5. If you have a physical location, think about hanging signage in your windows and around the store.

If you need any support taking these actions, we're here to help. Check out our Knowledge Base or contact Support at 1-866-289-2101

Constant Contact 

Client communication example

Gmail interface showing an email from Premier Smile Center. The email content includes a greeting, a promise to respond to questions, contact information, and a video link. The video thumbnail shows a woman in a white lab coat.

Yours Truly,
Dr. Johnson and staff

P.S
The team and I will be responding to any all questions you may have throughout this time via email or calls. Feel free to contact me at djohnson@premiersmilecenter.com or just call us at 954-566-7479 we have extended our hours for calls with the staff.
Also, check us out on facebook for weekly videos with more information.

PREMIER SMILE CENTER

Stay Safe, Be Healthy
Tips to help fight against COVID-19 (Corona Virus)

Premier Smile Center

MORE VIDEOS

WEDDINGPRO The power of like, love + WEDDINGWIRE

Live Webinar

COVID-19 Q&A for Wedding Pros

Tuesday, March 24
1 p.m. - 2 p.m. EDT

[Register Now](#)

Facebook post from Premier Smile Center. The post includes a video thumbnail of a woman in a lab coat and a link to a video titled 'A Positive Outlook in the Midst of the Coronavirus Pandemic'.

Like Share

Premier Smile Center
Yesterday at 6:00 AM

The numbers have varied and the news may seem dismal, but let's take a minute to focus on some of the good things that are happening right now. Dr. Johnson shares some interesting facts about Covid-19 and some recent news out of China. Most importantly, she invites you to enjoy this time with your family, watch a movie, get some exercise, and take care of yourself!

[Learn More](#)

Pages Liked by This Page

- Pride Catering FTL Food Delivery Service
- A Glorious Clean Environmental Service
- Brian Pagan, Licensed Mental Health Service
- Melissa J. Pabon, PA Team Real Estate Agent
- Rainbow Sports League Social Club
- Broward House
- The Pride Center

JOHNSTON & MURPHY. SINCE 1850

MEN WOMEN SALE GIFT CARDS

While we're apart, let's stick together. These times call for extra special savings for our favorite folks.

Friends & Fans

Save 25% On Your Entire Purchase

Limited Time Offer. Promo Code: FRIENDS

[SHOP NOW](#)

Cleveland Clinic COVID-19 Coronavirus

Cleveland Clinic patients:

The coronavirus (COVID-19) pandemic is a constantly changing situation across the globe. We have never faced anything like this in modern times. At Cleveland Clinic, know that patient safety is our highest priority and we are taking all known, necessary measures.

To provide you with the most up-to-date information, we've



FOR THE LIFE OF YOUR BUSINESS

The Recovery

Catch the “bounce”

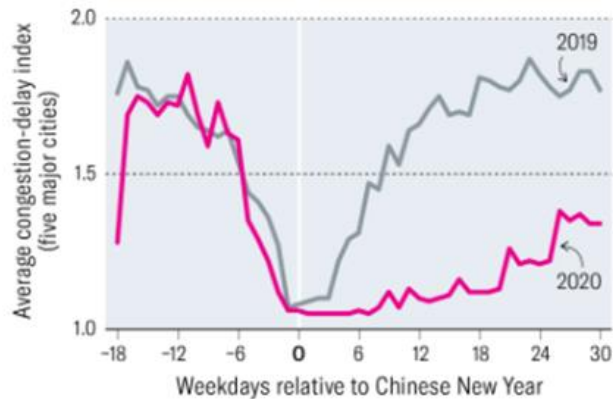


Plan now to capture the bounce back

Emerging Signs of Recovery

China appears to be in the early stage of an economic rebound, according to data for three benchmarks.

People and goods are starting to move again.



Opinion Sport Culture Lifestyle More ~
Americas Asia Australia Middle East Africa Inequality Global development

China gets a glimpse of life on the other side of coronavirus

Restrictions are being eased across China as the number of new infections recorded drops sharply

- Coronavirus - live updates
- See all our coronavirus coverage



BUSINESS

Apple reopens all stores in China as coronavirus wanes

By Noah Manskar

March 13, 2020 | 8:12am



yahoo!
finance

Search for news, symbols or companies



Finance Home Coronavirus Watchlists My Portfolio Screeners Premium Markets News Personal Finance Videos

Starbucks reopens most of China stores as new coronavirus infections fall: 'Early signs of recovery'

Julia La Roche
Correspondent
Yahoo Finance February 27, 2020

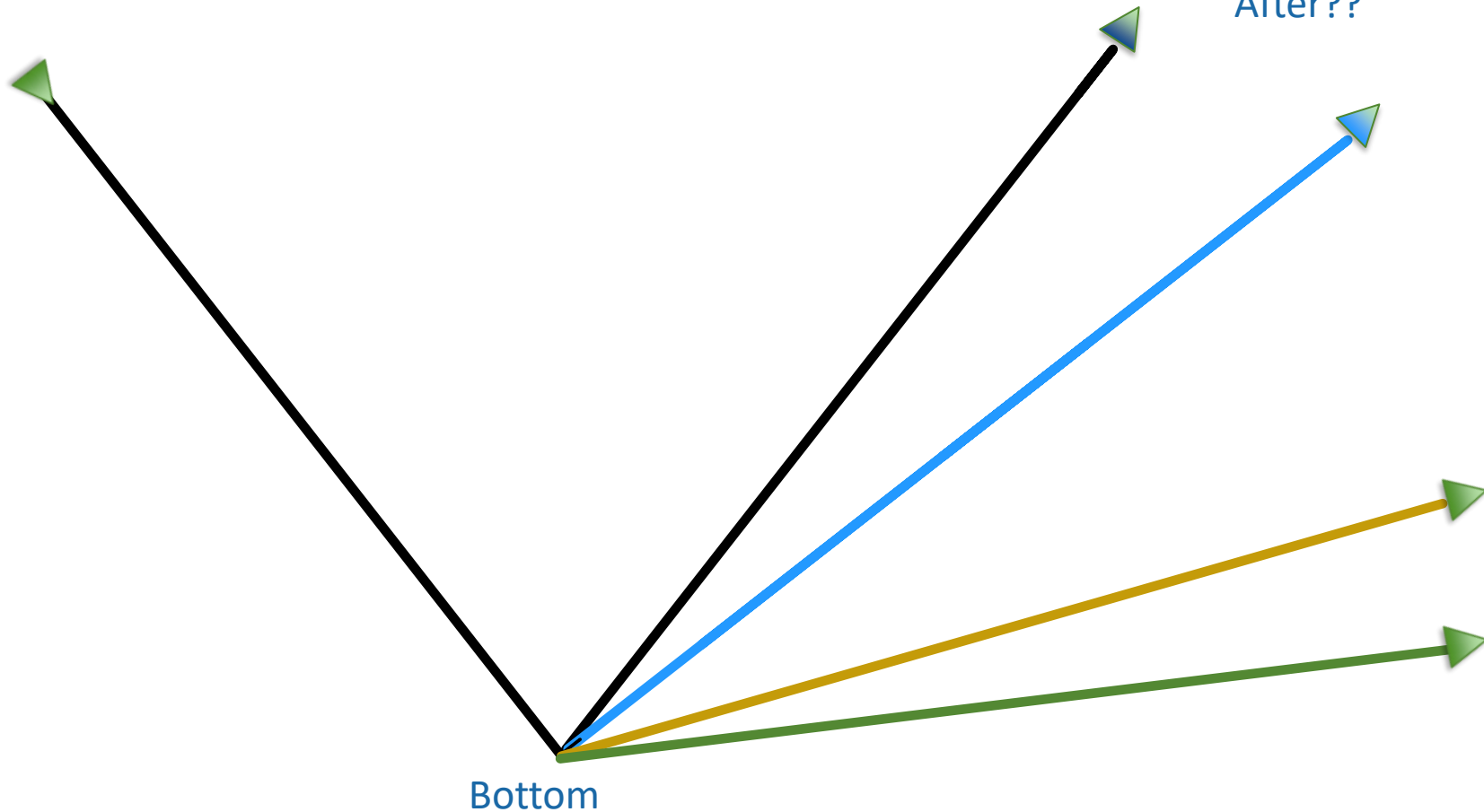


Starbucks (SBUX) said on Thursday that 85 percent of its China stores are open after closing more than half them amid the coronavirus (COVID-19) outbreak.

Plan now to capture the bounce back

Business Volume Level Before
Covid-19

After??



Plan to capture the bounce back

- Look ahead and keep reframing your efforts
- Be adaptive to evolving situations
- Reallocate your resources to any emerging opportunities
- Shift sales channel mix
- Have quick communication methods set up with contractors, customers, vendors, employees
- Prepare for a faster recovery than you expect
- Have a Plan!

Basic Plan

- Identify your most important/profitable customers
- Monitor their situation & when keep evaluating when they'll restart or increase their demand for your goods/services
- Plan on how & when will you re-engage with them
 - Sales calls, special packages, incentives
- Estimate your timeline to restore the flow of needed products/services. You want to be in synch
- Manpower – get temps, ICs, staff & training lined up
- Calculate the maximum capacity to handle new orders
 - Can you handle your customers' max orders plus some of your weaker competitors'?



FOR THE LIFE OF YOUR BUSINESS

Closing



Key Focus Points

- You are the business – keep it healthy
- Keep evaluating where your business stands
- Conserve cash
- Take advantage of government programs
- Communicate with your customers
- Build a plan to bounce back

Follow Up

- We will send to your registration email:
 - Copy of this presentation
 - Excel cash flow workbook
 - SBDC loan information package
 - SBA loan information package
 - FFCRA Summaries
 - CARES Act Guide
 - Payroll Protection Program Calculator
 - Article on using PPP & EDIL together (Vermont)

All links

- <https://home.treasury.gov/system/files/136/PPP--Fact-Sheet.pdf> – Payroll Protection Program
- <https://www.uschamber.com/report/covid-19-emergency-loans-small-business-guide> - Payroll Protection Calculator
- https://www.sbc.senate.gov/public/_cache/files/9/7/97ac840c-28b7-4e49-b872-d30a995d8dae/F2CF1DD78E6D6C8C8C3BF58C6D1DDB2B.small-business-owner-s-guide-to-the-cares-act-final-.pdf - Senate Small Business Guide to CARES
- <https://www.sba.gov/page/coronavirus-covid-19-small-business-guidance-loan-resources#section-header-4> – SBA GUIDE to \$10K Grant & EIDL loans
- <https://vermontbiz.com/news/2020/april/01/sba-rolling-out-significant-financial-assistance-eidl-and-ppp> - Double dip PPP & EIDL issue
- <https://www.fpl.com/coronavirus.html> Florida Power & Light
- <https://floridadisasterloan.org/> State of Florida Bridge Loan
- <https://www.facebook.com/business/boost/grants?ref=eml> Facebook Grant
- <https://bit.ly/3dlyTue> Law firm summary of FFCRA
- <https://bit.ly/2U8vFm9> FL Restaurant Assn. FFCRA Summary
- <https://amazonsmallbusinessrelief.force.com/SelfRegisterPage> - Amazon Neighborhood Small Business Relief Fund
- <https://www.irs.gov/coronavirus> - IRS
- <https://www.gibsondunn.com/departments-of-labor-issues-guidance-on-families-first-coronavirus-response-act/> - FFCRA
- <http://floridajobs.org/Reemployment-Assistance-Service-Center/reemployment-assistance/claimants/apply-for-benefits> - FL Reemployment
- <https://cohbcra.org/> Hallandale Beach Community Redevelopment Agency website

Local Assistance

- **SCORE – Someone to talk to about your business**
 - Broward.score.org
 - Mentoring – consult with us about where you are and where you want to take your business
 - <https://core.score.org/mentoring/request/0/9093>
 - Educational – Webinars for now. Back to workshops later.
 - <https://broward.score.org/local-workshops-events>
- **SBDC – Help in filling out loan applications**
 - SBDC at FAU – Broward & Palm Beach counties
 - (954) 762-5235
 - <http://www.fau.edu/sbdc/>
 - SBDC at FIU – Miami-Dade County
 - (305) 779-9230
 - <https://business.fiu.edu/centers/sbdc>
- **SBA Miami District Office – information about federal gov't programs**
 - (305) 536-5521
 - <https://www.sba.gov/offices/district/fl/miami>
 - SBA email updates: <https://bit.ly/2Ua9lsq>

Local Support

Corona Virus Alerts and Updates



- HOME
- ABOUT
- ECONOMIC DEVELOPMENT
- PROGRAMS
- PROJECTS
- NEWS
- CONTACT**



CONTACT INFORMATION

400 South Federal Highway
Hallandale Beach, FL 33009

(954) 457-2228

INQUIRIES

Full Name

Email Address

Instagram

Search



hallandale_beach_cra

Follow

848 posts 3,717 followers 12 following

Hallandale Beach CRA
Redefining Hallandale Beach, Florida. One day at a time. #HBCRA
cohbcra.org

