Agenda- UPDATE

- Paycheck Protection Program
- Employee Retention Tax Credit
- Other Grant Programs
Payroll Protection Program

- Loans under CARES Act - First Draw
- New loans under CAA21 – Second Draw
Existing PPP loan forgiveness

• Update application to reflect new additional permitted expenses
• Covered period ends when monies are spent
• EIDL loan advances no longer reduce forgiveness

• Simplified one-page forgiveness application for loans under $150k
• When to apply for forgiveness?
• Excess payroll/ERTC

Learn more at JewishTogether.org
Updated Eligible Expenses for 1st and 2nd Draw Loans

• Operational expenditures
• Property damage costs related to public disturbances in 2020 not otherwise covered
• Expenditures to suppliers
• Worker protection and facility modifications expenditures

Limited to 40% of loan spending

Learn more at JewishTogether.org
Questions at SBALoans@IFNA.org
First Draw PPP Loan Reopened

- First time borrower
- Borrower who returned funds
- Borrower entitled to additional funds
  - Increase loan amount to include eligible payroll expenses
  - Have not received loan forgiveness prior to 12/27/2020
  - Applies also to seasonal borrowers
Second Draw PPP Loan

- Must have spent or expect to spend First Draw
- No more than 300 employees
- 25% reduction in gross receipts in any quarter (2020 v. 2019)
- 2.5x average monthly payroll up to $2M (or 3.5x - food and lodging)
- Necessity certification for continuity and ongoing operations
2\textsuperscript{nd} Draw PPP Loan Application Differences

- Form 2483-SD
- Include First Draw SBA Loan Number
- Calculation of Reduction in Gross Receipts
- Certification questions different
How to Calculate Gross Receipts (Total Revenue)

- Use Form 990 categories
- Based on Borrower’s revenue recognition practice
- Excludes First Draw PPP
- Ineligible: Shuttered Venues, others
What is the Process?

• SBA released applications
  o Documentation different if loan is less than $150,000
• Be Patient – Sufficient funds available
  o Banks will open portals to accept applications
  o Banks are proactively asking for information
  o More due diligence upfront
• SBA and Treasury to continue to post FAQs as program develops
Employee Retention Tax Credit (ERTC)

- Credit Amount: 50% of $10K in qualified wages ($5K max/employee)
- Eligibility:
  - Full or partial suspension due to COVID-19 related government order; or
  - 50% decrease gross receipts in same quarter in prior calendar year
  - PPP loan recipients now eligible—no double-dip re payroll expenses
- Wage Base:
  - 100 employee rule-no services provided
  - 30-day rule limit
- Refundable payroll tax credit: IRS rules and FAQs

Employee Retention and Rehiring Tax Credit

- **Credit Amount:** 70% of $10K/quarter ($14K max/employee)
- **Eligibility:**
  - Full or partial suspension due to COVID-19 related government order; or
  - 20% decrease gross receipts in same quarter in prior calendar year
  - PPP loan recipients *are eligible*—no *double-dip* re payroll expenses
- **Wage Base:**
  - 500 employee rule-no services provided
  - No 30-day rule limit
- **Refundable payroll tax credit:** IRS rules expected

(COVID-related Tax Relief Act: January 1, 2021-June 30, 2021)

Learn more at JewishTogether.org | Questions at SBALoans@JFNA.org
Additional COVID Relief Funding Opportunities

• Day Schools
• Child Care Providers
• Nutrition Programs
• Other

For more information contact Darcy Hirsch at Darcy.Hirsh@JewishFederations.org.
For PPP:
SBALoans@jfna.org

For Legislation:
DC@jfna.org

More information
www.JewishTogether.org