



COVID-19 Response Plan for Churches & Ministries

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As we face the growing public health concern, declared a pandemic by the World Health Organization, it is likely many in your community will be affected by COVID-19.

At the NCLL, we encourage a culture of prevention not of paranoia. We want to encourage all churches and ministries to take the right precautions, use common sense, and take appropriate measures to ensure the health and safety of those in your care.

We are in unprecedented times in America. This is a time where the Church is needed more than ever, as there is great fear across our nation. Let us strive to #bethechurch as we seek to minister to those who have been greatly affected.

David Liller III David C. Gibbs III

President and General Counsel



COVID-19

UPDATE FOR YOUR CHURCH OR MINISTRY

COVID-19 continues to grow as a public health crisis here in the United States, with over 250,000 confirmed cases and a growing death count. Estimates now predict as many as 250,000 virus-related deaths will occur in the U.S. Every week, we see more drastic measures taken by federal, state, and local officials to contain the pandemic. Your church and ministry are now faced with unprecedented challenges to continue ministering to those in your care. We all know there is nothing occurring today that has caught God by surprise, and we are thankful for His continued protection and provision for His people. However, as ministry leaders, there are challenges we must face in the coming days and weeks in this highly fluid situation that will need to be closely monitored on a daily basis.

What is the

CURRENT SITUATION?

At this point, most states and counties have implemented some type of mandate limiting large gatherings or requiring full stay-at-home/remain-in-place for non-essential employees. A number of counties and states have imposed criminal penalties for violations of these mandates. These unprecedented measures are creating challenges for churches and ministries to continue to operate Christian schools and preschools. Additionally, churches are being forced to rethink the Sunday worship service.



Are the actions of the

GOVERNMENT CONSTITUTIONAL?

The mandates being issued by state and local governments are absolutely an infringement on free speech and freedom of religion for churches. The question is whether, from a court's perspective, this is a justified infringement. The courts examine two questions to make that determination.

- Is there a compelling interest for the government to act?
- Are the actions of the government the least
 restrictive alternative to accomplish the compelling
 interest of the government and not unduly infringe
 on the constitutional rights of citizens?

The argument is that the current health crisis facing our nation does constitute a compelling interest. Second, are these mandates the least restrictive option, or are there less restrictive alternatives available? At this time, the question cannot fully be answered due to the continued rapid spread of the virus, and judges will not want to place people at risk. The NCLL will continue to monitor the situation closely.

FACTORS TO CONSIDER

- What is legally required in my state?
 This is important to ascertain so your leadership team can understand what is and is not currently allowed. We recommend following state and local mandates at this time.
- What is practically effective for our church?
 Can your church provide online alternatives? Can you do house meetings of smaller groups? Can your church meet in smaller numbers on a rotating schedule? These questions should be assessed by your church or ministry leadership to best position your church during this time. What type of gatherings you use will be based on state and local mandates in place. See ncll.org/covid-19 for the complete updated list.
- What are the community optics for my church?
 Once your decision is made, your church needs to
 understand the community view of that decision.
 It is important for us to be leaders in our communities
 at this time. Many are fearful for their loved ones with
 the spread of the virus.



How should

MY CHURCH RESPOND?

If your state is under a legal mandate, we recommend full compliance at this time. Contact our office for specific recommendations for your state.

Things we

KNOW ABOUT THE VIRUS:

- This is a highly contagious virus that has demonstrated a high level of communicableness in foreign countries and now the U.S.
- This virus tends to be more dangerous to older people and those with weakened immune systems.
- Social distancing is intended to limit the number of individuals needing medical care, so it does not overwhelm health care services.

Things we don't

KNOW ABOUT THE VIRUS:

- At this time, it is unclear how long the disruption of daily life will be.
- There is not a firm understanding of when normal church and ministry operations should be resumed across the country.
- Government recommendations and restrictions are in place for now until further notice. There has been mention of perhaps six to eight weeks, but much is still unknown



in smaller groups?

we have received:

1. Can we meet around the building

If your state has a mandate in place, this would still potentially be a violation because of common areas like restrooms, parking lots, and foyers.

2. Can we meet in the parking lot? **Drive-in Church?**

Yes, this is acceptable. The technical aspect would be the only challenge, but if the technology is in place, this would be a great alternative. If your state has a stay-in-place mandate, please contact our office for clarification for your county or state.

3. Can we meet more often in smaller groups?

Yes, this is an acceptable arrangement based on the number meeting. There are also alternatives using Zoom and other video conferencina technology.

4. If our church chooses to disobev government recommendations, what might happen?

In several states, there could be criminal consequences.

5. Is it advisable to reduce services and outreaches?

At this time, we would advise churches to cancel all outreaches, events, and activities.



6. How do we collect our church's finances if we cannot take offerings?

We would recommend online options for members.

They can also drop checks off at the church in a drop box.

7. How do we minister during this time?

While we are dealing with the challenges of social distancing, this will provide an opportunity for prayer, additional Bible study, and discussions about eternal things over the phone and online. Many without Christ are going to be battling depression and cabin fever. Take the time to call your lost friends and be a voice of hope and encouragement, and share the Gospel of Jesus Christ with them

At The National Center for Life and Liberty, we want to support you and your ministry/church during this time. If you have any questions or concerns about any of the material above, please contact us by phone at (888) 233-6255 or by email at info@ncll.org. Our team continues to work and will continue to serve you throughout this crisis.

Thank you for your ministry in the Lord. God bless you as you continue to serve Him



Across the country, states and counties have added different versions of "stay-safe" or "stay-at-home" orders for their citizens. These stay-at-home orders are intended to prevent the spread of COVID-19. As said many times during this pandemic, these are unprecedented measures in our country's history. Your church and ministry must determine how to most effectively minister to those in your care during this challenging time.

UNDERSTANDING

Executive Orders

Your church needs to be aware of any public health and state mandates that are in place as your church determines how to minister effectively. Depending on the state or county, these directives carry different penalties for non-compliance. Below we have shortcuts to each state's executive order for more detailed information.

As a rule, state orders include the following:

- all non-essential employees work from home or stay home
- 2 all restaurants and bars closed
- 3 all gatherings limited to ten or fewer
- all events suspended indefinitely

Should our church CONTINUE TO MEET?

Each state has a different approach to implementation. However, compliance is generally recommended due to the nature of the public health crisis. If your church or ministry is trying to decide if you should or should not continue to meet, here are some criteria to consider:

- Does my state have a stay-at-home order in place?
- Is my county particularly affected at this time by COVID-19?
- Am I potentially placing my congregation at risk by having them attend church?
- Are there safer alternatives to meeting in groups at this time?
- How can I serve our congregation most effectively?



RECOMMENDATIONS

The NCLL recommends churches provide a virtual service option (Livestream, Facebook Live, etc.) through the end of April. If your church wants to allow people to attend in person, please review state guidelines to ensure you are not placing your congregants at risk. If you choose to allow some church members to attend, ensure that you keep people spread out from each other to limit exposure between individuals. You can review our recommendations for your facility here. Drive-in church is also an option in many states and counties. This allows your congregation to come to your church's location without exposing others to the potential spread of the virus.

As always, remember there is no one-size-fits-all solution. If you are still trying to determine how best to navigate this complicated time for your church or ministry, please contact our office, and one of our team members will gladly assist you in answering your questions. Contact our office by calling (888) 233-6255 or emailing info@ncll.org.



COVID-19

CHURCH & MINISTRY FUNDING AVAILABLE

Many churches, nonprofits, and charities are facing unprecedented financial challenges. Religious schools and charities are seeing drastic changes in funding. The Small Business Administration (SBA) is providing several funding opportunities for churches and ministries during this time. Some states are also providing state economic disaster funds. These funds are aimed at ensuring the stabilization of small businesses, which include churches and ministries throughout the country.

Select one of the programs below to learn more:

Payroll Protection Program

Economic Injury Disaster Loans (EID)

SBA Express Bridge Loans

What are my

NEXT STEPS?

- **1.** Contact the bank where your accounts are currently located to determine if it can begin receiving applications for SBA section 7(a) loans, specifically the Payroll Protection Program (PPP).
- 2. If your bank does not have information on section 7(a) loans or you need funding sooner than available through the Payroll Protection Program, visit https://covid19relief.sba.gov to apply for the SBA Economic Injury Disaster program through the SBA website.
- **3.** If you are having issues finding a lender to assist you with your SBA section 7(a) loan, please contact our office, and we will assist you in finding alternatives.



CARES ACT:

Payroll Protection Program (PPP)

This act provides significant funding to small businesses across the country. Now that this law is going into effect, we wanted to provide some additional information for your church, ministry, or nonprofit. Through the CARES Act, small business funding has expanded, including providing funding for churches through the Payroll Protection Program (PPP).

WHEN can Lapply

- Starting April 3, 2020, small businesses and sole proprietorships can apply for and receive loans to cover their payroll and other specific expenses through existing SBA lenders.
- Starting April 10, 2020, independent contractors and self-employed individuals can apply for and receive loans to cover their payroll and other certain expenses through existing SBA lenders.
- Other regulated lenders will be available to make these loans as soon as they are approved and enrolled in the program.

WHERE can I apply?

You can apply through any existing SBA lender or through any federally insured depository institution, federally insured credit union, or Farm Credit System institution that is participating. Other regulated lenders will be available to make these loans once they are approved and enrolled in the program. You should consult with your local lender to determine if it is participating. Visit www.sba.gov for a list of SBA lenders.



All businesses—including nonprofits, veterans organizations, tribal business concerns, sole proprietorships, self-employed individuals, and independent contractors—with 500 or fewer employees can apply. Businesses in certain industries can have more than 500 employees if they meet applicable SBA employee-based size standards for those industries (click HERE for additional detail).

WHAT CAN I

use these loans for?

You should use the proceeds from these loans on your:

- · Payroll costs, including benefits
- Interest on mortgage obligations incurred before February 15, 2020
- Rent, under lease agreements in force before February 15, 2020
- Utilities for which service began before February 15, 2020

WHAT COUNTS

as payroll costs? Payroll costs include:

- Salary, wages, commissions, or tips (capped at \$100,000 on an annualized basis for each employee)
- Employee benefits, including costs for vacation, parental, family, medical, or sick leave; allowance for separation or dismissal; payments required for the provisions of group health care benefits, including insurance premiums; and payment of any retirement benefits
- State and local taxes assessed on compensation
- For a sole proprietor or independent contractor: wages, commissions, income, or net earnings from self-employment, capped at \$100,000 on an annualized basis for each employee



HOW LARGE

can my loan be?

The loan can be for up to two months of your average monthly payroll costs from the last year plus an additional 25% of that amount. The amount is subject to a \$10 million cap. If you are a seasonal or new business, you will use different applicable time periods for your calculation. Payroll costs will be capped at \$100,000 annualized for each employee.

HOW MUCH

of my loan will be forgiven?

You will owe money when your loan is due if you use the loan for anything other than payroll costs, mortgage interest, rent, and utilities payments over the eight weeks after receiving the loan. Due to likely high subscription, it is anticipated that not more than 25% of the forgiven amount may be for non-payroll costs.

HOW CAN I

request loan forgiveness?

You can submit a request to the lender that is servicing the loan. The request must include documents that verify the number of full-time equivalent employees and pay rates, as well as the payments on eligible mortgage, lease, and utility obligations. You must certify that the documents are true and that you used the forgiveness amount to keep employees and make eligible mortgage interest, rent, and utilities payments. The lender must make a decision on forgiveness within sixty days.

WHAT IS

my interest rate? 1% fixed rate.

WHEN DO I NEED

to start paying interest on my loan?

All payments are deferred for six months; however, interest will continue to accrue over this period.



CAN I PAY IVIY LUAN

earlier than two years? Yes. There are no prepayment penalties or fees.

DO I NEED TO PLEDGE

any collateral for these loans? No. No collateral is required.

DOINFED

to personally guarantee this loan?

No. There is no personal guarantee requirement. ***However, if the proceeds are used for fraudulent purposes, the U.S. government will pursue criminal charges against you.***

SBA PPP Information: https://www.sba.gov/funding-programs/loans/coronavirus-relief-options/paycheck-protection-program-ppp

PPP Application Form: https://www.sba.gov/sites/default/files/2020-03/
Borrower%20Paycheck%20Protection%20Program%20Application 0.pdf

SBA DISASTER FUNDING:

Economic Injury Disaster Loans (EID)

SBA economic injury disaster loans (EID) are also available. They are somewhat different from PPP loans. The SBA's EID program provides small businesses with working capital loans of up to \$2 million to provide vital economic relief to help them overcome the temporary loss of revenue they are experiencing. Funds will be made available within three days of a successful application, and the loan advance will not have to be repaid.

Link to apply: covid19relief.sba.gov



The Express Bridge Loan Pilot Program allows small businesses who currently have a business relationship with an SBA Express Lender to access up to \$25,000 with less paperwork. These loans can provide vital economic support to small businesses to help them overcome temporary loss of revenue and can be a term loan or used to bridge the gap while applying for a direct SBA Economic Injury Disaster Ioan. If a small business has an urgent need for cash while waiting for a decision and disbursement on an EID loan, it may qualify for an SBA Express Disaster Bridge Loan.

TERMS

- Up to \$25,000
- Fast turnaround
- Will be repaid in full or in part by proceeds from the EIDL loan

OTHER FUNDING

& Information Available

Read the full CARES Act: https://www.congress.gov/bill/116th-congress/ house-bill/748/text

SBA Web Site Information: https://www.sba.gov/page/coronavirus-covid-19-small-business-guidance-loan-resources

As your church or ministry determines how best to respond, remember there is no one-size-fits-all solution. If you are still trying to determine how best to navigate this complicated time for your church or ministry, please contact our office, and one of our team members will gladly assist you in answering your questions. Contact our office by calling (888) 233-6255 or emailing info@ncll.org.

COVID-19

UPDATES FOR CHRISTIAN SCHOOLS & PRESCHOOLS

Many churches and ministries are faced with unprecedented decisions regarding their Christian schools and preschools due to the COVID-19 public health crisis. This resource will assist your church or ministry in determining best practices during this challenging time. The majority of school districts in the U.S. have closed public schools, requiring distance or virtual education for students. States have requested that private schools follow the same guidelines to protect their students from exposure.

Christian School

RECOMMENDATIONS

Our recommendation for Christian schools is generally to follow the lead of the public-school district in their area. Most states have mandated school closures through the end of April. States are reviewing requirements for days of attendance to determine how to manage graduation requirements. This is something we will keep an eye on in the coming days and weeks for each state as they make these determinations

NCLL recommendations:

- Follow the local public-school district and state government's lead for closure.
- 2. Provide continuity of education using distance or virtual solutions during this period of time.
- 3. Keep teachers employed to manage distance or virtual solutions.
- **4.** Require student participation in distance or virtual programs.
- **5.** Keep children and parents engaged through daily communication.



Preschool RECOMMENDATIONS

You may close your preschool if you deem best.

The majority of schools and preschools are choosing to remain closed through the end of April, waiting for further updates from state health departments and the CDC. During this time, stay-at-home options can be made available for families through Zoom or other distance solutions.

NCLL recommendations:

- Limit preschool attendance only to children whose parents have essential jobs.
- 2. Maintain ten or fewer children in each classroom.
- 3. Ensure a higher level of sanitation.
- **4.** Check the temperature of all children before they enter classrooms each morning.
- **5.** Send any children with temperatures home for a 14-day guarantine.
- **6.** Require a 14-day quarantine for any children who have traveled overseas recently.
- 7. Immediately send home any children who begin exhibiting COVID-19 symptoms.

Resources

FOR SCHOOLS

Below is a list of resources available to schools to assist in distance learning and extracurricular options during this period of school closures.

- 1. Zoom.us (available for free to any school)
- 2. Google Slides
- 3. ABCmouse
- 4. Amazon Future Engineer
- 5. Amplify
- 6. Bloomz

As schools and preschools determine how best to respond, remember there is no one-size-fits-all solution. If you are still trying to determine how best to navigate this complicated time for your church or ministry, please contact our office, and one of our team members will gladly assist you in answering your questions. Contact our office by calling (888) 233-6255 or emailing info@ncll.org.



Churches, schools, preschools, and other religious nonprofits are facing unprecedented financial challenges from the economic devastation of COVID-19 and resulting stay-at-home mandates. The lamentable reality is that this pandemic is forcing ministries to do the unthinkable: implement mandatory layoffs or furlough some or many employees. Many churches and ministries have reached out to the NCLL for advice and assistance on this matter.

What Options Do We Have as a

NONPROFIT, MINISTRY, OR CHURCH?

At this time, federal mandates regarding COVID-19 employee requirements only apply to companies and organizations that employ fifty or more employees. Small businesses, however, including nonprofit organizations, have a wide range of options in managing such employment-related questions. We know that, as an employer, you naturally want to help—not hurt—the employees in your care. However, your organization will need to make decisions about the general direction you intend to go with the employees you are unable to continue paying. These decisions will impact how your employees qualify for state and/or federal assistance. This is the case regardless of whether your organization has opted out of unemployment insurance (in states where that is legally permissible).

The following are your options:

- **1. Layoff** you may choose to terminate employees by laying them off due to insufficient revenue or mandatory closure.
- **2. Furlough** you may choose to furlough employees for a period of time until the COVID-19 public health crisis has passed, then bring them back to their jobs at the conclusion. Furlough is typically unpaid.



4. Unpaid Time Off – for hourly employees, you may have them simply take unpaid time off without allocating these hours/days to their earned PTO or sick time.

COMMUNICATE CLEARLY

to the Employee and Provide a Letter

When communicating the above-described employment decisions to employees, do so via written letters that clearly explain the type of action you intend to take. Employees that are being furloughed need to be told when the furlough will start and when it will end (to the extent you are able to do so) along with any applicable financial information (benefits/pay, etc.). Clearly communicate to employees in the other categories any information that applies to them (benefits/pay/balance of PTO/sick time, etc.). This letter is critical for employees to assist them in qualifying for federal or state financial assistance. Clear communication also ensures the employee is able to prepare for the impact this action will have on his or her life.

State Assistance

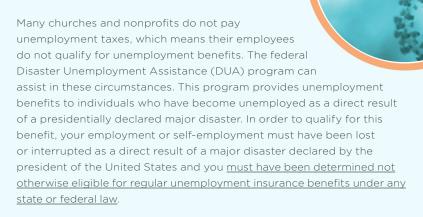
OPTIONS

Every state has different options available during this public health crisis. Many states are providing exemptions to their typical funding requirements, are funding unemployment claims faster, and are reducing the limits on payouts. If you would like more information, please contact our office for a state-specific analysis for your church, ministry, or nonprofit.

Federal

ASSISTANCE PROGRAMS

The Small Business Administration (SBA) has current funding options available to assist corporations and small businesses in providing for their employees during the public health crisis. The SBA COVID-19 Relief Process is described here: https://covid19relief.sba.gov/#/.



Payment will be made to an unemployed worker, who as a direct result of a presidentially declared major disaster,

- no longer has a job,
- · is unable to reach his or her place of work,
- cannot work due to damage to the place of work,
- becomes the head of household and is seeking work because the former head of household died as a result of the disaster, or
- cannot work because of a disaster-incurred injury.

To file a claim, individuals who are unemployed as a direct result of the disaster should contact their state unemployment insurance agency and ask about DUA.

Applications for DUA must be filed by an individual within thirty days of the announcement of the availability of DUA in the state. Individuals must follow the instructions in the announcement and file for DUA based on the filing methods used by the state (i.e., in person or via mail, telephone, or internet).

Federal Website Link: https://www.benefits.gov/benefit/597



- File with the state unemployment office to get a determination of benefits (make sure each employee has the letter previously discussed—a sample is provided at the end of this resource).
- 2 If the state denies the claim, submit a claim to the federal program described above.
- Contact our office for assistance if an employee is not accepted to the state or federal program.

If your organization or employees need assistance, please contact our office by calling (888) 233-6255 or emailing info@ncll.org. We will set up a coaching session, and one of our team members will gladly assist you.

CARES ACT

Explained

Many churches, nonprofits, and charities are facing unprecedented financial challenges. Religious schools and charities are seeing drastic changes in funding. The Small Business Administration (SBA) is providing several funding opportunities for churches and ministries during this time. Some states are also providing state economic disaster funds. These funds are aimed at ensuring the stabilization of small businesses, which include churches and ministries throughout the country.



CARES ACT:

Payroll Protection Program (PPP)

This act provides significant funding to small businesses across the country. Now that this law is going into effect, we wanted to provide some additional information for your church, ministry, or nonprofit. Through the CARES Act, small business funding has expanded, including providing funding for churches through the Payroll Protection Program (PPP).

Download the Payroll Protection Program Details Sheet

WHEN

can I apply?

- Starting April 3, 2020, small businesses and sole proprietorships can apply for and receive loans to cover their payroll and other specific expenses through existing SBA lenders.
- Starting April 10, 2020, independent contractors and self-employed individuals can apply for and receive loans to cover their payroll and other certain expenses through existing SBA lenders.
- Other regulated lenders will be available to make these loans as soon as they are approved and enrolled in the program.

WHERE

can I apply?

You can apply through any existing SBA lender or through any federally insured depository institution, federally insured credit union, or Farm Credit System institution that is participating. Other regulated lenders will be available to make these loans once they are approved and enrolled in the program. You should consult with your local lender to determine if it is participating. Visit www.sba.gov for a list of SBA lenders.



All businesses—including nonprofits, veterans organizations, tribal business concerns, sole proprietorships, self-employed individuals, and independent contractors—with 500 or fewer employees may apply. Businesses in certain industries may have more than 500 employees if they meet applicable SBA employee-based size standards for those industries (click HERE for additional details).

WHAT CAN

use these loans for? You should use the proceeds from this loan for:

- · Payroll costs, including benefits
- Interest on mortgage obligations incurred before February 15, 2020
- Rent, under lease agreements in force before February 15, 2020
- Utilities for which service began before February 15, 2020

WHAT COUNTS

as payroll costs? Payroll costs include:

- Salary, wages, commissions, or tips (capped at \$100,000 on an annualized basis for each employee)
- Employee benefits, including costs for vacation, parental, family, medical, or sick leave; allowance for separation or dismissal; payments required for the provisions of group health care benefits, including insurance premiums; and payment of any retirement benefits
- State and local taxes assessed on compensation
- For a sole proprietor or independent contractor: wages, commissions, income, or net earnings from self-employment, capped at \$100,000 on an annualized basis for each employee



can my loan be?

The loan can be for up to two months of your average monthly payroll costs from the last year plus an additional 25% of that amount. The amount is subject to a \$10 million cap. If you are a seasonal or new business, you will use different applicable time periods for your calculation. Payroll costs will be capped at \$100,000 annualized for each employee.

HOW MUCH

of my loan will be forgiven?

You will owe money when your loan is due if you use the loan for anything other than payroll costs, mortgage interest, rent, and utilities payments over the eight weeks after receiving the loan. Due to likely high subscription, it is anticipated that not more than 25% of the forgiven amount may be for non-payroll costs.

HOW CAN

request loan forgiveness?

You can submit a request to the lender that is servicing the loan. The request must include documents that verify the number of full-time equivalent employees and pay rates, as well as the payments on eligible mortgage, lease, and utility obligations. You must certify that the documents are true and that you used the forgiveness amount to keep employees and make eligible mortgage interest, rent, and utilities payments. The lender must make a decision on forgiveness within sixty days.

WHAT IS

my interest rate? 1% fixed rate.

WHEN DO I NEED

to start paying interest on my loan?

All payments are deferred for six months; however, interest will continue to accrue over this period.



WHEN

is my loan due? In two years.

CAN I PAY MY LOAN

earlier than two years? Yes. There are no prepayment penalties or fees.

DO I NEED TO PLEDGE

any collateral for these loans? No. No collateral is required.

DO I NFFD

to personally guarantee this loan?

No. There is no personal guarantee requirement. ***However, if the proceeds are used for fraudulent purposes, the U.S. government will pursue criminal charges against you.***

SBA PPP Information: https://www.sba.gov/funding-programs/loans/coronavirus-relief-options/paycheck-protection-program-ppp

PPP Application Form: https://www.sba.gov/sites/default/files/2020-03/
Borrower%20Paycheck%20Protection%20Program%20Application 0.pdf

What are my

NEXT STEPS?

- **1.** Contact the bank where your accounts are currently located to determine if it can begin receiving applications for SBA section 7(a) loans, specifically the Payroll Protection Program (PPP).
- 2. If your bank does not have information on section 7(a) loans or you need funding sooner than available through the Payroll Protection Program, visit https://covid19relief.sba.gov to apply for the SBA Economic Injury Disaster program through the SBA website.
- **3.** If you are having issues finding a lender to assist you with your SBA section 7(a) loan, please contact our office, and we will assist you in finding alternatives.



OTHER FUNDING

& Information Available

Read the Full CARES Act: https://www.congress.gov/bill/116th-congress/house-bill/748/text

SBA Website Information: https://www.sba.gov/page/coronavirus-covid-19-small-business-guidance-loan-resources

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COVID-19

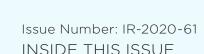
WHAT IS THE STATUS OF THE ECONOMIC IMPACT PAYMENTS?

Many have asked us the status of receiving economic impact payments. The Treasury Department and Internal Revenue Service informed us that they will be working to start providing economic impact payments within three weeks from Monday, March 30, 2020. This will ensure most receive payments no later than June 30, 2020.

Here are a few notes from the IRS release for you to know:

- Full payment is \$1,200 for individuals or \$2,400 for married couples. Parents also will receive \$500 for each qualifying child.
- Those with adjusted gross incomes up to \$75,000 for individuals and up to \$150,000 for married couples filing joint returns will receive full payments.
- The payment amount is reduced by \$5 for each \$100 above the \$75,000/\$150,000 thresholds.
- The IRS will calculate and automatically send economic impact payments to those who are eligible.
- The IRS will post all key information on <u>IRS.gov/coronavirus</u> as soon as it becomes available.
- Treasury plans to develop a web-based portal for individuals to provide their banking information to the IRS online so they can receive payments more quickly than through the mail.

For all information concerning economic impact loans, please read the full release by the Internal Revenue Service below. As always, if you have any questions about this information, please contact our office at (888) 233-6255 or by email at info@ncll.org.



Economic impact payments: What you need to know

Check <u>IRS.gov</u> for the latest information: No action needed by most people at this time.

IR-2020-61, on April 1, 2020

WASHINGTON - The Treasury Department and the Internal Revenue Service today announced that distribution of economic impact payments will begin in the next three weeks and will be distributed automatically, with no action required for most people. However, some taxpayers who typically do not file returns will need to submit a simple tax return to receive the economic impact payment.

Who is eligible for the economic impact payment?

Tax filers with adjusted gross income up to \$75,000 for individuals and up to \$150,000 for married couples filing joint returns will receive the full payment. For filers with income above those amounts, the payment amount is reduced by \$5 for each \$100 above the \$75,000/\$150,000 thresholds. Single filers with income exceeding \$99,000 and \$198,000 for joint filers with no children are not eligible. Social Security recipients and railroad retirees who are otherwise not required to file a tax return are also eligible and will not be required to file a return.

Eligible taxpayers who filed tax returns for either 2019 or 2018 will automatically receive an economic impact payment of up to \$1,200 for individuals or \$2,400 for married couples and up to \$500 for each qualifying child.



How will the IRS know where to send my payment?

The vast majority of people do not need to take any action.

The IRS will calculate and automatically send the economic impact payment to those eligible.

For people who have already filed their 2019 tax returns, the IRS will use this information to calculate the payment amount. For those who have not yet filed their return for 2019, the IRS will use information from their 2018 tax filing to calculate the payment. The economic impact payment will be deposited directly into the same banking account reflected on the return filed.

The IRS does not have my direct deposit information. What can I do?

In the coming weeks, Treasury plans to develop a web-based portal for individuals to provide their banking information to the IRS online, so that individuals can receive payments immediately as opposed to checks in the mail.

I am not typically required to file a tax return. Can I still receive my payment?

Yes. The IRS will use the information on the Form SSA-1099 or Form RRB-1099 to generate Economic Impact Payments to recipients of benefits reflected in the Form SSA-1099 or Form RRB-1099 who are not required to file a tax return and did not file a return for 2018 or 2019. This includes senior citizens, Social Security recipients and railroad retirees who are not otherwise required to file a tax return.

Since the IRS would not have information regarding any dependents for these people, each person would receive \$1,200 per person, without the additional amount for any dependents at this time.



Yes. The IRS urges anyone with a tax filing obligation who has not yet filed a tax return for 2018 or 2019 to file as soon as they can to receive an economic impact payment. Taxpayers should include direct deposit banking information on the return.

I need to file a tax return. How long are the economic impact payments available?

For those concerned about visiting a tax professional or local community organization in person to get help with a tax return, these economic impact payments will be available throughout the rest of 2020.

Where can I get more information?

The IRS will post all key information on <u>IRS.gov/coronavirus</u> as soon as it becomes available.

The IRS has a reduced staff in many of its offices but remains committed to helping eligible individuals receive their payments expeditiously. Check for updated information on IRS.gov/coronavirus rather than calling IRS assistors who are helping process 2019 returns.



COVID-19

IRS SUSPENDS COLLECTIONS AND ADJUSTS FILING DATE

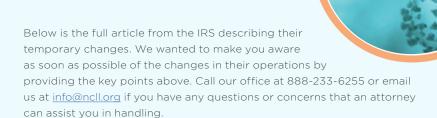
The IRS is making changes to its programs and services as a result of COVID-19. This article will update you regarding their program changes. First, the IRS has delayed the tax filing deadline to July 15, 2020, as well as suspended certain activities against individuals. Second, collection activities have been suspended. And finally, delinquent 2018 filings can be filed without default at this time.

A couple of other key items to

NOTE FROM THEIR RELEASE:

- Pending Offers in Compromise (OIC) applications The IRS
 will allow taxpayers until July 15 to provide requested additional
 information to support a pending OIC. Also, the IRS will not
 close any pending OIC requests before July 15, 2020, without
 the taxpayer's consent.
- OIC Payment Taxpayers have the option of suspending all
 payments on accepted OICs until July 15, 2020, although by law,
 interest will continue to accrue on any unpaid balances.
- Delinquent Return Filings The IRS will not default an OIC for those taxpayers who are delinquent in filing their 2018 tax return. However, taxpayers should file any delinquent 2018 return (and their 2019 return) on or before July 15, 2020.
- New OIC Applications The IRS reminds people facing a liability exceeding their net worth that the OIC process is designed to resolve outstanding tax liabilities by providing a "Fresh Start."

 Further information is available at IRS.gov



IRS unveils new People First Initiative; COVID-19 effort temporarily adjusts, suspends key compliance programs

「Take from news release on IRS.gov ↑

WASHINGTON - To help people facing the challenges of COVID-19 issues, the Internal Revenue Service announced today a sweeping series of steps to assist taxpayers by providing relief on a variety of issues ranging from easing payment guidelines to postponing compliance actions.

"The IRS is taking extraordinary steps to help the people of our country," said IRS Commissioner Chuck Rettig. "In addition to extending tax deadlines and working on new legislation, the IRS is pursuing unprecedented actions to ease the burden on people facing tax issues. During this difficult time, we want people working together, focused on their well-being, helping each other and others less fortunate."

"The new IRS People First Initiative provides immediate relief to help people facing uncertainty over taxes," Rettig added "We are temporarily adjusting our processes to help people and businesses during these uncertain times. We are facing this together, and we want to be part of the solution to improve the lives of all people in our country."



However, the IRS will continue to take steps where necessary to protect

all applicable statutes of limitations.

"IRS employees care about our people and our country, and they have a strong desire to help improve this situation," Rettig said. "These new actions reflect just one of many ways our employees are working hard every day to assist the nation. We care, a lot. IRS employees are actively engaged, and they have always delivered for their communities and our country. The People First Initiative is designed to help people take care of themselves and is a key part of our ongoing response to the coronavirus effort."

More specifics about the implementation of these provisions will be shared soon. Highlights of the key actions in the IRS People First Initiative include:

Existing Installment Agreements – For taxpayers under an existing Installment Agreement, payments due between April 1 and July 15, 2020 are suspended. Taxpayers who are currently unable to comply with the terms of an Installment Payment Agreement, including a Direct Deposit Installment Agreement, may suspend payments during this period if they prefer. Furthermore, the IRS will not default any Installment Agreements during this period. By law, interest will continue to accrue on any unpaid balances.

New Installment Agreements – The IRS reminds people unable to fully pay their federal taxes that they can resolve outstanding liabilities by entering into a monthly payment agreement with the IRS. See <u>IRS.gov</u> for further information.



- Pending OIC applications The IRS will allow taxpayers
 until July 15 to provide requested additional information to
 support a pending OIC. In addition, the IRS will not close
 any pending OIC request before July 15, 2020, without the
 taxpayer's consent.
- OIC Payments Taxpayers have the option of suspending all payments on accepted OICs until July 15, 2020, although by law interest will continue to accrue on any unpaid balances.
- Delinquent Return Filings The IRS will not default an OIC for those taxpayers who are delinquent in filing their tax return for tax year 2018. However, taxpayers should file any delinquent 2018 return (and their 2019 return) on or before July 15, 2020.
- New OIC Applications The IRS reminds people facing a liability exceeding their net worth that the OIC process is designed to resolve outstanding tax liabilities by providing a "Fresh Start." Further information is available at IRS.gov

Non-Filers – The IRS reminds people who have not filed their return for tax years before 2019 that they should file their delinquent returns. More than 1 million households that haven't filed tax returns during the last three years are actually owed refunds; they still have time to claim these refunds. Many should consider contacting a tax professional to consider various available options since the time to receive such refunds is limited by statute. Once delinquent returns have been filed, taxpayers with a tax liability should consider taking the opportunity to resolve any outstanding liabilities by entering into an Installment Agreement or an Offer in Compromise with the IRS to obtain a "Fresh Start." See IRS.gov for further information.



Field Collection Activities - Liens and levies (including any seizures of a personal residence) initiated by field revenue officers will be suspended during this period. However, field revenue officers will continue to pursue high-income non-filers and perform other similar activities where warranted.

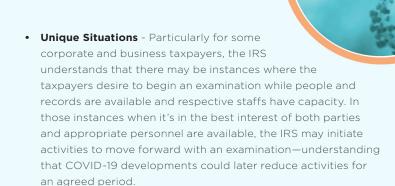
Automated Liens and Levies - New automatic, systemic liens and levies will be suspended during this period.

Passport Certifications to the State Department – IRS will suspend new certifications to the Department of State for taxpayers who are "seriously delinquent" during this period. These taxpayers are encouraged to submit a request for an Installment Agreement or, if applicable, an OIC during this period. Certification prevents taxpayers from receiving or renewing passports.

Private Debt Collection - New delinquent accounts will not be forwarded by the IRS to private collection agencies to work during this period.

Field, Office and Correspondence Audits - During this period, the IRS will generally not start new field, office and correspondence examinations. We will continue to work refund claims where possible, without in-person contact. However, the IRS may start new examinations where deemed necessary to protect the government's interest in preserving the applicable statute of limitations.

In-Person Meetings - In-person meetings regarding current field, office and correspondence examinations will be suspended. Even though IRS examiners will not hold in-person meetings, they will continue their examinations remotely, where possible. To facilitate the progress of open examinations, taxpayers are encouraged to respond to any requests for information they already have received - or may receive - on all examination activity during this period if they are able to do so.



 General Requests for Information - In addition to compliance activities and examinations, the IRS encourages taxpayers to respond to any other IRS correspondence requesting additional information during this time if possible.

Earned Income Tax Credit and Wage Verification Reviews – Taxpayers have until July 15, 2020, to respond to the IRS to verify that they qualify for the Earned Income Tax Credit or to verify their income. These taxpayers are encouraged to exercise their best efforts to obtain and submit all requested information, and if unable to do so, please reach out to the IRS indicating the reason such information is not available. Until July 15, 2020, the IRS will not deny these credits for a failure to provide requested information.

Independent Office of Appeals - Appeals employees will continue to work their cases. Although Appeals is not currently holding in-person conferences with taxpayers, conferences may be held over the telephone or by videoconference. Taxpayers are encouraged to promptly respond to any outstanding requests for information for all cases in the Independent Office of Appeals.



steps where necessary to protect all applicable statutes of limitations. In instances where statute expirations might be jeopardized during this period, taxpayers are encouraged to cooperate in extending such statutes. Otherwise, the IRS will issue Notices of Deficiency and pursue other similar actions to protect the interests of the government in preserving such statutes. Where a statutory period is not set to expire during 2020, the IRS is unlikely to pursue the foregoing actions until at least July 15, 2020.

Practitioner Priority Service - Practitioners are reminded that, depending on staffing levels and allocations going forward, there may be more significant wait times for the PPS. The IRS will continue to monitor this as situations develop.

"The IRS will continue to review and, where appropriate, modify or expand the People First Initiative as we continue reviewing our programs and receive feedback from others," Rettig said. "We are committed to helping people get through this period, and our employees will remain focused on these and other helpful efforts in the days and weeks ahead. I ask for your personal support, your understanding – and your patience – as we navigate our way forward together. Stay safe and take care of your families, friends and others."

RESOURCE: https://www.irs.gov/newsroom/irs-unveils-new-people-first-initiative-covid-19-effort-temporarily-adjusts-suspends-key-compliance-program



FAMILIES FIRST CORONAVIRUS RESPONSE ACT EXPLAINED

The Families First Coronavirus Response Act provides standards to handle COVID-19-related employee paid leave, primarily for companies with over fifty employees. If you have more than fifty workers or are subject to the FMLA, this act extends additional coverage for employees who are being directly impacted by COVID-19. All monies required by a company to facilitate these extended benefits will be dollar-for-dollar refunded through tax credits back to the organization.

The provisions of the act address the following areas:

- The act provides two weeks of paid sick leave at the employee's regular rate of pay when the employee is unable to work due to COVID-19 infection and resulting quarantine.
- The act also provides two weeks of paid sick leave for employees who have to care for an individual subject to quarantine or care for children whose school or childcare facility is closed due to COVID-19.
- Finally, the act provides for ten additional weeks of paid, expanded family and medical leave to care for a child whose school or childcare provider is closed or unavailable due to COVID-19.

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Small businesses with fewer than fifty employees and who cannot afford to comply with these requirements will be provided an exemption. However, covered employers qualify for dollar-for-dollar reimbursement through a tax credit for all qualifying wages paid under the FFCRA. This also includes monies used to pay for health insurance coverage.

This act does not allow you to discharge, discipline, or otherwise discriminate against any employee who takes paid sick leave under the FFCRA. If you have any questions or concerns about this act or how it affects your ministry, please contact us today by calling 888-233-6255 or emailing us at info@ncll.org. Our team of attorneys will assist you in making the right decisions for your ministry or organization.

Below is the full article from the Department of Labor.

Families First Coronavirus Response Act: Employer Paid Leave

[Take from The Department of Labor, Wage and Hour Division at DOL.gov]

The Families First Coronavirus Response Act (FFCRA or Act) requires certain employers to provide their employees with paid sick leave or expanded family and medical leave for specified reasons related to COVID-19.[1] The Department of Labor's (Department) Wage and Hour Division (WHD) administers and enforces the new law's paid leave requirements.

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



- Two weeks (up to 80 hours) of paid sick leave
 at the employee's regular rate of pay where the employee is
 unable to work because the employee is quarantined (pursuant to
 Federal, State, or local government order or advice of a health
 care provider), and/or experiencing COVID-19 symptoms and
 seeking a medical diagnosis; or
- Two weeks (up to 80 hours) of paid sick leave at two-thirds the employee's regular rate of pay because the employee is unable to work because of a bona fide need to care for an individual subject to quarantine (pursuant to Federal, State, or local government order or advice of a health care provider), or care for a child (under 18 years of age) whose school or child care provider is closed or unavailable for reasons related to COVID-19, and/or the employee is experiencing a substantially similar condition as specified by the Secretary of Health and Human Services, in consultation with the Secretaries of the Treasury and Labor.

A covered employer must provide to **employees that it has employed** for at least 30 days: [3]

 Up to an additional 10 weeks of paid expanded family and medical leave at two-thirds the employee's regular rate of pay where an employee is unable to work due to a bona fide need for leave to care for a child whose school or child care provider is closed or unavailable for reasons related to COVID-19.

Covered Employers: The paid sick leave and expanded family and medical leave provisions of the FFCRA apply to certain public employers, and private employers with fewer than 500 employees. [4] Most employees of the federal government are covered by Title II of the Family and Medical Leave Act, which was not amended by this Act, and are therefore not covered by the expanded family and medical leave provisions of the



FFCRA. However, federal employees covered by Title II of the Family and Medical Leave Act are covered by the paid sick leave provision.

Small businesses with fewer than 50 employees may qualify for exemption from the requirement to provide leave due to school closings or child care unavailability if the leave requirements would jeopardize the viability of the business as a going concern.

Qualifying Reasons for Leave:

Under the FFCRA, an employee qualifies for paid sick time if the employee is unable to work (**or unable to telework**) due to a need for leave because the employee:

- 1. is subject to a Federal, State, or local quarantine or isolation order related to COVID-19:
- has been advised by a health care provider to self-quarantine related to COVID-19;
- is experiencing COVID-19 symptoms and is seeking a medical diagnosis;
- **4.** is caring for an individual subject to an order described in (1) or self-quarantine as described in (2);
- **5.** is caring for a child whose school or place of care is closed (or child care provider is unavailable) for reasons related to COVID-19; or
- **6.** is experiencing any other substantially-similar condition specified by the Secretary of Health and Human Services, in consultation with the Secretaries of Labor and Treasury.

Under the FFCRA, an employee qualifies for expanded family leave if the employee is caring for a child whose school or place of care is closed (or child care provider is unavailable) for reasons related to COVID-19.



Duration of Leave:

For reasons (1)-(4) and (6): A full-time employee is eligible for up to 80 hours of leave, and a part-time employee is eligible for the number of hours of leave that the employee works on average over a two-week period.

For reason (5): A full-time employee is eligible for up to 12 weeks of leave at 40 hours a week, and a part-time employee is eligible for leave for the number of hours that the employee is normally scheduled to work over that period.

Calculation of Pay: [5]

For leave reasons (1), (2), or (3): employees taking leave shall be paid at 2/3 their regular rate or 2/3 the applicable minimum wage, whichever is higher, up to \$200 per day and \$2,000 in the aggregate (over a 2-week period).

For leave reasons (4) or (6): employees taking leave shall be paid at 2/3 their regular rate or 2/3 the applicable minimum wage, whichever is higher, up to \$200 per day and \$2,000 in the aggregate (over a 2-week period).

For leave reason (5): employees taking leave shall be paid at 2/3 their regular rate or 2/3 the applicable minimum wage, whichever is higher, up to \$200 per day and \$12,000 in the aggregate (over a 12-week period—two weeks of paid sick leave followed by up to 10 weeks of paid expanded family and medical leave).[6]

Tax Credits: Covered employers qualify for dollar-for-dollar reimbursement through tax credits for all qualifying wages paid under the FFCRA. Qualifying wages are those paid to an employee who takes leave under the Act for a qualifying reason, up to the appropriate per diem and aggregate payment caps. Applicable tax credits also extend to amounts paid or incurred to maintain health insurance coverage. For more information, please see the Department of the Treasury's website.



requirements.[7]

Prohibitions: Employers may not discharge, discipline, or otherwise discriminate against any employee who takes paid sick leave under the FFCRA and files a complaint or institutes a proceeding under or related to the FECRA

Penalties and Enforcement: Employers in violation of the first two weeks' paid sick time or unlawful termination provisions of the FFCRA will be subject to the penalties and enforcement described in Sections 16 and 17 of the Fair Labor Standards Act. 29 U.S.C. 216: 217. Employers in violation of the provisions providing for up to an additional 10 weeks of paid leave to care for a child whose school or place of care is closed (or child care provider is unavailable) are subject to the enforcement provisions of the Family and Medical Leave Act. The Department will observe a temporary period of non-enforcement for the first 30 days after the Act takes effect, so long as the employer has acted reasonably and in good faith to comply with the Act. For purposes of this non-enforcement position, "good faith" exists when violations are remedied and the employee is made whole as soon as practicable by the employer, the violations were not willful, and the Department receives a written commitment from the employer to comply with the Act in the future.

[1] Wage and Hour Division does not administer this aspect of the law, but notes that every dollar of required paid leave (plus the cost of the employer's health insurance premiums during leave) will be 100% covered by a dollar-for-dollar refundable tax credit available to the employer. For more information, please see the Department of the Treasury's website.

[2] Employers of Health Care Providers or Emergency Responders may elect to exclude such employees from eligibility for the leave provided under the Act



- [4] Certain provisions may not apply to certain employers with fewer than 50 employees. See Department FFCRA regulations (expected April 2020).
- [5] Paid sick time provided under this Act does not carry over from one year to the next. Employees are not entitled to reimbursement for unused leave upon termination, resignation, retirement, or other separation from employment.
- [6] An employee may elect to substitute any accrued vacation leave, personal leave, or medical or sick leave for the first two weeks of partial paid leave under this section.
- [7] The Department will issue a model notice no later than March 25, 2020.

RESOURCE: https://www.dol.gov/agencies/whd/pandemic/ffcra-employer-paid-leave



COVID-19

PAYCHECK PROTECTION PROGRAM (PPP) INFORMATION SHEET: BORROWERS

The Paycheck Protection Program (PPP) authorizes up to \$349 billion in forgivable loans to small businesses to pay their employees during the COVID-19 crisis. All loan terms will be the same for everyone.

Loan amounts will be forgiven as long as:

- · Loan proceeds are used to cover payroll costs and most mortgage interest, rent, and utility costs over the eight-week period after the loan is made
- Employee and compensation levels are maintained

Payroll costs are capped at \$100,000 on an annualized basis for each employee. Due to likely high subscription, it is anticipated that not more than 25% of the forgiven amount may be for non-payroll costs.

I oan payments will be deferred for six months.

can I apply?

- Starting April 3, 2020, small businesses and sole proprietorships can apply for and receive loans to cover payroll and other certain expenses through existing SBA lenders.
- · Starting April 10, 2020, independent contractors and selfemployed individuals can apply for and receive loans to cover payroll and other certain expenses through existing SBA lenders.
- Other regulated lenders will be available to make these loans as soon as they are approved and enrolled in the program.



You can apply through any existing SBA lender or through any federally insured depository institution, federally insured credit union, and Farm Credit System institution that is participating. Other regulated lenders will be available to make these loans once they are approved and enrolled in the program. You should consult with your local lender as to whether it is participating. Visit www.sba.gov for a list of SBA lenders.

Can I apply?

All businesses—including nonprofits, veterans organizations, tribal business concerns, sole proprietorships, self-employed individuals, and independent contractors—with 500 or fewer employees can apply. Businesses in certain industries can have more than 500 employees if they meet applicable SBA employee-based size standards for those industries (click HERE for additional detail).

For this program, the SBA's affiliation standards are waived for small businesses (1) in the hotel and food services industries (click <u>HERE</u> for NAICS code 72 to confirm); or (2) that are franchises in the SBA's Franchise Directory (click <u>HERE</u> to check); or (3) that receive financial assistance from small business investment companies licensed by the SBA. Additional guidance may be released as appropriate.

WHAT

do I need to apply?

You will need to complete the Paycheck Protection Program loan application and submit the application with the required documentation to an approved lender that is available to process your application by June 30, 2020. Click HERE for the application.



DO I NEED TO

first look for other funds before applying to this program?

No. The usual SBA requirement that you try to obtain some or all of the loan funds from other sources (i.e., the Credit Elsewhere requirement) is being waived.

HOW LONG WILL

this program last?

Although the program is open until June 30, 2020, you are encouraged to apply as quickly as you can because there is a funding cap and lenders need time to process your loan.

HOW MANY LOANS

can I take out under this program?

Only one.

WHAT CAN I

use these loans for?

You should use the proceeds from these loans for:

- · Payroll costs, including benefits
- Interest on mortgage obligations, incurred before February 15, 2020
- Rent, under lease agreements in force before February 15, 2020
- Utilities, for which service began before February 15, 2020



- Salary, wages, commissions, or tips (capped at \$100,000 on an annualized basis for each employee)
- Employee benefits, including costs for vacation, parental, family, medical, or sick leave; allowance for separation or dismissal; payments required for the provisions of group health care benefits, including insurance premiums; and payment of any retirement benefits
- State and local taxes assessed on compensation
- For a sole proprietor or independent contractor: wages, commissions, income, or net earnings from self-employment, capped at \$100,000 on an annualized basis for each employee

HOW LARGE

can my loan be?

Loans can be for up to two months of your average monthly payroll costs from the last year plus an additional 25% of that amount. The amount is subject to a \$10 million cap. If you are a seasonal or new business, you will use different applicable time periods for your calculation. Payroll costs will be capped at \$100,000 annualized for each employee.

HOW MUCH

of my loan will be forgiven?

You will not owe any money when your loan is due unless you use the loan amount for anything other than payroll costs, mortgage interest, rent, and utilities payments over the eight weeks after receiving the loan. Due to likely high subscription, it is anticipated that not more than 25% of the forgiven amount may be for non-payroll costs.

- Number of staff: your loan forgiveness will be reduced if you decrease your full-time employee headcount.
- Level of payroll: your loan forgiveness will also be reduced if you decrease salaries and wages by more than 25% for any employee that made less than \$100,000 annualized in 2019.
- Re-hiring: you have until June 30, 2020, to restore full-time employment and salary levels for any changes made between February 15, 2020, and April 26, 2020.

How can I request loan forgiveness? You can submit a request to the lender that is servicing the loan. The request must include documents that verify the number of full-time-equivalent employees and pay rates, as well as payments on eligible mortgage, lease, and utility obligations. You must certify that the documents are true and that you used the forgiveness amount to keep employees and make eligible mortgage interest, rent, and utility payments. The lender must make a decision on forgiveness within sixty days.

WHAT

is my interest rate? 1% fixed rate.

WHFN

do I need to start paying interest on my loan?

All payments are deferred for six months; however, interest will continue to accrue over this period.



is my loan due? In two years.



DOINEED

to pledge any collateral for these loans?

No. No collateral is required.

DO I NFFD

to personally guarantee this loan?

No. There is no personal guarantee requirement. ***However, if the proceeds are used for fraudulent purposes, the U.S. government will pursue criminal charges against you.***

WHAT DO I

need to certify?

As part of your application, you need to certify in good faith that:

- Current economic uncertainty makes the loan necessary to support your ongoing operations.
- Funds will be used to retain workers and maintain payroll or to make mortgage, lease, and utility payments.
- You have not and will not receive another loan under this program.
- You will provide to the lender documentation that verifies
 the number of full-time-equivalent employees on payroll and
 the dollar amounts of payroll costs, covered mortgage
 interest payments, covered rent payments, and covered
 utilities for the eight weeks after getting this loan.



- Loan forgiveness will be provided for the sum of documented payroll costs, covered mortgage interest payments, covered rent payments, and covered utilities. Due to likely high subscription, it is anticipated that not more than 25% of the forgiven amount may be for non-payroll costs.
- All the information you provided in your application and in all supporting documents and forms is true and accurate.
 Knowingly making a false statement to get a loan under this program is punishable by law.
- You acknowledge that the lender will calculate the eligible
 loan amount using the tax documents you submitted.
 You affirm that the tax documents are identical to those you
 submitted to the IRS. And you also understand, acknowledge,
 and agree that the lender can share the tax information
 with the SBA's authorized representatives, including
 authorized representatives of the SBA Office of Inspector
 General, for the purpose of compliance with SBA Loan
 Program Requirements and all SBA reviews.



SOCIAL SECURITY RECIPIENTS WILL AUTOMATICALLY RECEIVE ECONOMIC IMPACT PAYMENTS

Yesterday, the Social Security Administration released new information regarding Social Security recipients of economic impact payments. As stated in the article below, senior citizens will not be required to file anything additionally to receive payments.

"Social Security recipients who are not typically required to file a tax return do not need to take an action, and will receive their payment directly to their bank account," said Secretary Steven T. Mnuchin.

Please see the article from the Internal Revenue Service concerning this topic: https://home.treasury.gov/news/press-releases/sm967

