

We are still studying and awaiting clarification on some provisions of the CARES Act to better understand how they will impact our clients. There are two areas we want to alert you of so you can take immediate action, if applicable:

\$10,000 tax-free emergency grant This is included as a separate provision in the Small Business Administration's (SBA's) Economic Injury Disaster Loan. These grants are awarded on a first-come, first-served basis until the \$10B fund allocation is exhausted. These are designed to be used for working capital needs, such as maintaining payroll, mortgage and lease payments, or paid leave.

If you have or expect to have qualifying expenses, [apply now](#). Funds are supposed to be distributed to qualifying business owners within 3 days of application.

Paycheck Protection Program These loans are available through SBA lenders and have the potential to be forgiven if you maintain your workforce. Small businesses and sole proprietorships will be able to apply beginning Friday, so contact your local lender *now*. You can learn more [here](#), and the application is available [here](#). Due to the high demand for this program, at least 75% of the forgiven loan must be used for payroll.

Recovery Rebate aka Stimulus Check These payments are 2020 credit advances that will be paid to taxpayers with Adjusted Gross Income (AGI) of less than \$75k per spouse. The immediate payment is based on your last-filed tax return. If your financial/family situation has a significant variance from 2018 to 2019, the amount of credit could be impacted. For example, those who became new attendings in 2018 or 2019 need to determine the better outcome. *If you file your 2019 tax return, you will have no choice on which amount they use*, so please check with us before filing.

The CARES Act includes other provisions, which we are waiting on further guidance on before making recommendations. As this guidance is issued, we will update you. If you have questions, please reach out and we will answer to the best of our ability.

Thank you and stay well!