



***COVID-19 RESOURCE
GUIDE FOR MAINE
SMALL BUSINESSES***

Developed by the staff of Congressman Jared Golden for the people of Maine's Second District

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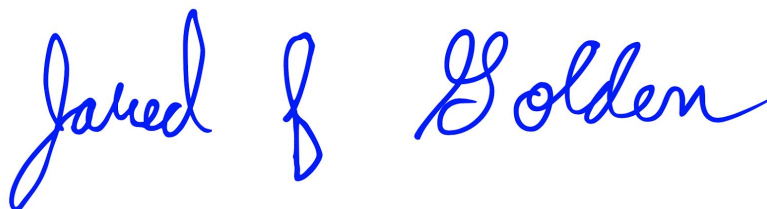
Small Business Resource Guide

Through no fault of their own, Maine's small businesses are facing unprecedented challenges from the coronavirus crisis. At every level of government, we must take action to help our state's small businesses survive this pandemic.

Congress has passed emergency legislation intended to support small businesses and workers during the coronavirus crisis. My staff and I have been working hard to analyze the new programs established by the legislation to determine how Maine small businesses can take full advantage of federal resources to stay afloat and keep employees on payroll during this crisis.

My staff and I have assembled this guide to help small businesses and non-profit organizations understand the options available to them and decide on a course of action. But we know this will be a difficult process for many small businesses and we want to be a resource. Members of my staff are also prepared to assist you with applications, questions, and other urgent needs. If we can't help or answer your question, we'll quickly connect you with someone who can.

Contact my nearest office [**here**](#). We're also making our small business staff available for you to email directly: [**smallbizresponseteam@mail.house.gov**](mailto:smallbizresponseteam@mail.house.gov). In most cases, we will respond within 24 hours.



What new federal programs are available to help my small business during COVID19? There are two programs that are most likely to be a good fit:

SBA Paycheck Protection Program (PPP)

*The Paycheck Protection Program (PPP) provides small businesses with **zero-fee loans of up to \$10 million to cover payroll and other operating expenses**. Up to 8 weeks of payroll, mortgage interest, rent, and utility costs can be forgiven. Payments on principal and interest are deferred for six months. More information on this program is available [**here**](#).*

SBA Economic Injury Disaster Loans (EIDL) + \$10,000 disaster grant

*EIDLs are loans up to \$2 million with interest rates of 3.75% for businesses and 2.75% for nonprofits, and principal and interest payments deferred at the SBA's discretion—currently 12 months. The SBA is also offering to advance businesses a \$10,000 grant that does not need to be paid back. You can apply for this \$10,000 grant as part of the Economic Injury Disaster Loan process. More information on this program is available [**here**](#).*

Which loan works for my business?

Check your eligibility:

PPP Loan eligibility:

You are eligible if:

- *Your business or entity was in operation on February 15, 2020;*
- *Your entity is not included in **this list** of ineligible businesses (nonprofits aside); and*
- *You are :*
 - *A small business, a 501(c)(3) nonprofit organization, a 501(c)(19) veterans organization, tribal business concern, or other business that has fewer than 500 employees, or the applicable **size standard** in number of employees for the North American Industry Classification System (NAICS) industry as provided by SBA, if higher;*
 - *A sole proprietorship, an independent contractor, or self-employed; or*
 - *Certain businesses with less than 500 employees per location, certain franchises, and certain companies that receive funding through a Small Business Investment Company. Click **here** if your business may fall into one of these categories.*

EIDL eligibility:

- *In addition to the entities that are already eligible for SBA disaster loans (small businesses, private non-profits, and small agriculture cooperatives), eligibility is temporarily expanded to include:*
- *Business entities with 500 or fewer employees*
- *Sole proprietorships, with or without employees*
- *Independent contractors*
- *Cooperatives and employee-owned businesses*
- *Tribal small businesses*
- *Private non-profits of any size.*
- *Additionally, you must have been in business as of January 31, 2020. Expanded eligibility criteria and the emergency grants are only available between January 31, 2020 and December 31, 2020.*

Do I have to pay these loans back? It depends:

PPP Loan: All or some of the PPP loan may be forgiven, meaning the loan converts to a grant. There are specific requirements on how you may spend the money if you want the loan to be forgiven (details [here](#)).

EIDL: You must repay the EIDL, but payments are generally deferred for one year. If you receive an EIDL advance grant, you do not need to repay that amount (details [here](#)).

How do I get these loans? You must apply:

PPP Loan: You must apply for this loan with a lender that is partnering with SBA. **You should inquire at your local bank or credit union.** If your local financial institution is not participating, you should consider contacting an institution from this [list](#). The loan application details are [here](#). Small businesses and sole proprietorships can apply starting April 3. Independent contractors and self-employed individuals can apply starting April 10.

EIDL: You must apply directly with the SBA, online [here](#).

How much can I borrow?

PPP Loan: Can be up to 2.5 times average monthly payroll, capped at \$10 million (details [here](#).)

EIDL: Capped at \$2 million (details [here](#).)

Can I apply for both loans?

Yes, but there are conditions. If you have questions about simultaneous use of both loans, contact our staff at smallbizreponse@house.gov.

What if I've already had to lay off employees? Is it too late to apply for the PPP loan?

Your loan may be forgiven if you restore, no later than June 30, 2020, your full-time employment and salary levels to undo any reductions made between February 15, 2020 and April 26, 2020, compared to the levels that existed on February 15, 2020 (details [here](#)).

What if I'm self-employed and none of these programs work for me? Can I file for unemployment?

The Maine Department of Labor administers the Unemployment Compensation program, which has been expanded to include self employed people and provides additional funding for a limited time period. Please check the [Maine Department of Labor website](#) for updated information.

Other programs that can help:

Finance Authority of Maine (FAME) is also offering disaster loans. More information is available [here](#).

Employee Retention Tax Credit - not available if you utilize one of the SBA loan options

A **refundable payroll tax credit is available for small businesses that retain their employees during the COVID-19 crisis.** More information is available [here](#).

Debt Relief for New and Existing SBA Borrowers

For small businesses that already have an SBA loan (such as a 7(a), 504, or microloan) or take one out within 6 months of March 27th, the **SBA will pay all loan costs for borrowers, including principal, interest, and fees, for six months.** SBA borrowers may also seek an extension of the duration of their loan and delay certain reporting requirements. More information on this program is available [here](#).

Advance Payment of Tax Credits for Paid Leave

The Treasury can now send **advance payments of tax credits available to employers that are required to provide up to 12 weeks of coronavirus-related paid leave** to their employees. More information is available [here](#).

Payroll Tax Delay

Employers are now able to delay paying the employer-portion of payroll taxes through the end of 2020. More information is available [here](#).

Relief for Small Business Government Contractors

If you are a government contractor, there are a number of ways that Congress has provided relief and protection for your business. Agencies will be able to modify terms and conditions of a contract and to reimburse contractors at a billing rate of up to 40 hours per week of any paid leave, including sick leave. The contractors eligible are those whose employees or subcontractors cannot perform work on site and cannot telework due to federal facilities closing because of COVID-19. If you need additional

assistance, please reach out to your local **Small Business Development Center, Women's Business Center, SCORE chapter, or SBA District Office**. You should also work with your agency's contracting officer, as well as the agency's Office of Small and Disadvantaged Business Utilization (OSDBU).

Delay for Single Employer Pension Plans

Single employer pension plans are allowed to delay quarterly contributions for 2020 until the end of the year. Employers may also use 2019 funded status for the purposes of determining funding-based limits on plan benefits for the plan years that include 2020.

SBA Paycheck Protection Loan Program

For the borrower application, [click here](#). For borrower resources, [click here](#). For lender resources, [click here](#).

Congress created the new SBA Paycheck Protection Program to provide small businesses with zero-fee, one percent interest loans of up to \$10 million to cover payroll and other operating expenses. Up to 8 weeks of payroll, mortgage interest, rent, and utility costs can be funded with this loan, and ultimately forgiven. Payments on principal are deferred for six months, though interest will accrue during this period. Small businesses will be able to apply if they were harmed by COVID-19 between February 15, 2020, and June 30, 2020. This program is retroactive to February 15, 2020, in order to help bring workers who may have already been laid off back onto payrolls.

Key Dates:

April 3, 2020 - Small businesses and sole proprietorships can apply for and receive loans to cover their payroll and other certain expenses through existing Small Business Administration (SBA) **lenders**.

April 10, 2020 - Independent contractors and those who are self-employed can begin applying for and receiving loans to cover their payroll and other certain expenses through existing Small Business Administration (SBA)

lenders. June 30, 2020 - Loans will be available through this date. May 5, 2020 - Apply by this date to have the full 8-weeks of your allowable costs forgiven.

Eligibility

You are eligible if:

- Your business or entity was in operation on February 15, 2020; and
- Your entity is not included in **this list** of ineligible businesses (nonprofits aside); and

- You are a small business, a 501(c)(3) nonprofit organization, a 501(c)(19) veterans organization, tribal business concern, or other business that has fewer than 500 employees, or the applicable **size standard** in number of employees for the North American Industry Classification System (NAICS) industry as provided by SBA, if higher; or
- You are a sole proprietorship, an independent contractor, or self-employed; or
- You are a business that employs not more than 500 employees per physical location and your business has an NAICS code beginning with 72 (accommodations and restaurants), for which the usual SBA affiliation rules are waived.
- Affiliation rules are also waived for any business operating as a franchise that is assigned a franchise identifier code by the SBA, and any company that receives funding through a Small Business Investment Company.

Loan Size:

- Your maximum loan size is 250 percent of average monthly payroll costs for the one-year period before the loan is made. If you are a seasonal entity, the maximum loan size is 250 percent of average monthly payroll costs from February 15, 2019 to June 30, 2019, or you can opt to choose March 1, 2019, as the seasonal time period start date.
- If you have an outstanding SBA Economic Injury Disaster Loan (EIDL) made between January 31, 2020 and April 3, 2020, that was used for payroll costs, that balance is added to your maximum PPP loan size, in order to refinance the higher-interest EIDL using the PPP loan.
- If you were not in business this time last year, your maximum loan is equal to 250% of your average monthly payroll costs between January 1, 2020, and February 29, 2020.
- The loan maximum in all cases is \$10 million.

Payroll costs for the purposes of determining your loan size include:

- Compensation (e.g., salary, wage, commission, cash tips)
- Payment for vacation, parental, family, medical, or sick leave
- Allowance for dismissal or separation
- Payment required for group health care benefits, including insurance premiums
- Payment of any retirement benefit

- Payment of State or local tax assessed on the compensation of employees

The following costs do not count towards your loan size: compensation over \$100,000 to any individual, Federal employment taxes (including FICA and income taxes withheld from employee pay), compensation for employees outside of the United States, and required leave under the Families First Coronavirus Response Act (for which reimbursement is provided via a separate tax credit).

Use of Loan Funds:

You may use the funds for:

- Payroll costs (all costs included above)
- Costs related to group health care benefits during periods of paid sick, medical, or family leave, and insurance premiums
- Employee salaries, commissions, or similar compensation (except as excluded above)
- Payments of interest on any mortgage (but not payment or prepayment of principal)
- Rent
- Utilities
- Interest on any other debt obligations that were incurred before February 15, 2020.

Loan Terms:

For any amounts not forgiven, the loan term is 2 years, the interest rate is 1 percent, and there are neither loan fees nor prepayment fees (SBA will establish application fee caps for lenders that charge them).

Loan Forgiveness:

You can apply to your lender to forgive your loan for the amount of payroll costs plus payments of mortgage interest, rent, and utilities incurred during the 8-week period after the loan is disbursed. Note that at least 75 percent of the forgiveness amount shall be for payroll costs—leaving 25 percent of the loan for other qualifying costs. The amount that can be forgiven is conditioned on maintaining employees and wages:

- Your loan forgiveness will be reduced if you decrease your full-time employee headcount.
- 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 your full-time employment and salary levels for any changes made between February 15, 2020 and April 26, 2020.
 - If you made reductions during this period and you do not restore your FTE and salary levels back to the levels they were on February 15, 2020 by June 30, 2020, the portion of your loan that is eligible to be forgiven will be reduced according to a comparison between your final FTEs and salary levels and:
 - Your FTEs during the period of—at the borrower's option—February 15, 2019 to June 30, 2019, or January 1, 2020 to February 29, 2020.
 - Further, seasonal businesses have a third base period option of February 15, 2019 to June 30, 2019.
 - Your salary levels for each employee during the most recent full quarter during which the employee was employed before your PPP loan originated.
 - Note that salary reductions are calculated on an employee-by-employee basis and they only reduce the amount of loan forgiveness if the reductions exceed 25 percent. Also, reductions for employees who earned more than a \$100,000 annualized rate at any point in 2019 are not penalized at all.

You must apply through your lender for forgiveness and provide:

- Documentation verifying the number of employees on payroll, their pay rate, IRS payroll and state income tax filings, and unemployment insurance filings;
- Documentation verifying payments of rent, mortgage interest, utilities, and other debt; and
- Certification from your business that the documentation provided is true and that amount of the loan that is being forgiven was used in line with the program's requirements.

Any loan amounts not forgiven are carried forward as an ongoing loan with a term of 2 years, at an interest rate of 2 percent. Principal will continue to be deferred, for a total of 6 months after disbursement of the loan.

Can I use a Paycheck Protection Loan with other SBA loans?

Yes, you may apply for a Paycheck Protection Program loan and other SBA loans, including the SBA Economic Injury Disaster Loans, 7(a) loans, 504 loans, and microloans. However, you may not use funds from each of these programs for the same purposes. If you previously received an Economic Injury Disaster Loan for coronavirus-related assistance, and you used the loan for payroll costs, then you will refinance that loan at a lower interest rate as part of receiving a Paycheck Protection Program loan. If you previously received a EIDL advance grant, the amount of the grant will be subtracted from the amount of the Paycheck Protection Program loan that can be forgiven.

More Information

If you have additional questions, my staff will help get you answer. Contact my nearest office [here](#).

For more information about SBA loan programs, please visit the Small Business Administration [website](#). More information about small business programs in the CARES Act and other resources for small businesses can be found on the U.S. House of Representatives Small Business Committee [website](#).

If you need additional assistance, please reach out to your local **Small Business Development Center, Women's Business Center, SCORE chapter, or SBA District Office**.

SBA Economic Injury Disaster Loan and Emergency Advance Grants

Congress has expanded eligibility for SBA Economic Injury Disaster Loans (EIDL) and made an emergency advance of up to \$10,000 available to small businesses and private non-profits harmed by COVID-19 within 3 days of applying for an SBA EIDL. To access the advance, you check a box within the application for an EIDL. The advance does not need to be repaid under any circumstance, and may be used to keep employees on payroll, to pay for sick leave, meet increased production costs due to supply chain disruptions, or pay business obligations, including debts, rent, and mortgage payments.

Note: If you applied for an SBA EIDL without applying for the \$10,000 emergency advance, you will need to reapply for the EIDL in order to receive an advance grant. SBA is aware that some EIDL applications will be duplicates that seek only an advance grant and should be able to screen your second application accordingly. Contact my **nearest office** for assistance or clarification.

Eligibility

In addition to the entities that are already eligible for SBA disaster loans (small businesses, private non-profits, and small agriculture cooperatives), eligibility is temporarily expanded to include:

- Business entities with 500 or fewer employees
- Sole proprietorships, with or without employees
- Independent contractors
- Cooperatives and employee-owned businesses
- Tribal small businesses
- Private non-profits of any size.

Additionally, you must have been in business as of January 31, 2020. Expanded eligibility criteria and the emergency grants are only available between January 31, 2020 and December 31, 2020.

How to Apply

- You can apply for an EIDL **online** with the SBA.
- When you apply, you can request an emergency grant of \$10,000.
- The SBA will provide the grant within 3 days of receiving your application.
- You will not have to repay the grant, even if your application for a loan is denied.
- You can visit an SBA resource partner who can help guide you through the loan application process. You can find your nearest Small Business Development Center (SBDC) or Women's Business Center **here**.

Can I apply for other SBA loan programs?

If you apply for an EIDL and the grant, you can still apply for a Paycheck Protection Program loan. However the amount forgiven under a Paycheck Protection Program loan will be decreased by the \$10,000 grant.

More Information

If you have additional questions, my staff will help get you answer. Contact my nearest office **here**.

For more information about SBA loan programs, please visit the Small Business Administration **website**. More information about small business programs in the CARES Act and other resources for small businesses can be found on the U.S. House of Representatives Small Business Committee **website**.

If you need additional assistance, please reach out to your local **Small Business Development Center, Women's Business Center, SCORE chapter, or SBA District Office**.

Employee Retention Tax Credit

Congress has created a refundable payroll tax credit for businesses (large and small) and non-profits that retain their employees during the COVID-19 crisis. The tax credit is equal to 50 percent of wages and compensation. There is an overall limit on credit value per employee of \$10,000. The credit is provided through December 31, 2020.

Eligibility

Employers are eligible if they have been fully or partially suspended as a result of a government order, or if they experience a 50 percent reduction in quarterly receipts as a result of the crisis.

Amount of Tax Credit

- For eligible employers with 100 or fewer full-time employees, they may claim a credit for wages paid to all of their employees, up to \$10,000 a person.
- For eligible employers with more than 100 employees, they may claim a credit for only those employees who are furloughed or face reduced hours as a result of the employer's closure or economic hardship.

Applying the Tax Credit

The credit can be claimed against the business or non-profit's quarterly payroll tax liability and is fully refundable to the extent that it exceeds that liability. The Department of the Treasury is authorized to make advance payments of the tax credit, and to waive penalties for employers who do not deposit applicable payroll taxes in anticipation of receiving the credit.

Limitations

This tax credit is not available if the employer takes an SBA Paycheck Protection Program loan. More information about the SBA Paycheck Protection Program is [available here](#).

More Information

As more information about this tax credit becomes available, please check the IRS's website at <https://www.irs.gov/coronavirus>.

If you have additional questions, my staff will help get you answer. Contact my nearest office [here](#).

SBA Debt Relief Program

Congress has made immediate relief available to small businesses with SBA 7(a), 504, and microloans. For existing borrowers, SBA will cover all loan payments on these SBA loans, including principal, interest, and fees, for six months. This relief will also be available to new borrowers who take out loans within six months of the enactment of the CARES Act.

Eligibility

You are eligible if:

- You have an existing SBA 7(a), 504, or microloan loan (Paycheck Protection Program loans and SBA Economic Injury Disaster Loans are not eligible—but payments are already deferred under those loans);
- You apply for and receive an SBA 7(a), 504, or microloan within six months of enactment of the CARES Act (i.e., between March 27, 2020 and September 27, 2020).
- To check if you are eligible for an SBA 7(a), 504, or microloan, please visit the **Small Business Administration** website.

More about SBA loans

- An SBA 7(a) loan is a loan of up to \$5 million for borrowers who lack credit elsewhere and need access to versatile financing, providing short-term or long-term working capital and to purchase an existing business, refinance current business debt, or purchase furniture, fixtures, and supplies.
- A 504 loan is a loan up to \$5.5 million for small businesses that provides long-term, fixed-rate financing used to acquire fixed assets for expansion or modernization. You must apply through a Certified Development Company, which is a nonprofit corporation that promotes economic development.
- A microloan loan is a loan up to \$50,000 to help small businesses and certain not-for-profit childcare centers to start up and expand. The

average microloan is about \$13,000. These loans are delivered through mission-based lenders that also provide business counseling.

- You can visit an SBA resource partner who can help guide you through the loan application process. You can find your nearest Small Business Development Center (SBDC) or Women's Business Center [here](#).
- You can use SBA's free **lender match** tool to find a lender near you.

How do I get debt relief?

Debt relief is automatic, but you should check in with your lender. Under the new law, the SBA is directed to make payments within 30 days of the date on which the first payment is due.

More Information

If you have additional questions, my staff will help get you answer. Contact my nearest office [here](#).

For more information about SBA loan programs, please visit the Small Business Administration [website](#). More information about small business programs in the CARES Act and other resources for small businesses can be found on the U.S. House of Representatives Small Business Committee [website](#).

If you need additional assistance, please reach out to your local **Small Business Development Center, Women's Business Center, SCORE chapter, or SBA District Office**.

Advance Payment of Tax Credits for Paid Leave

Congress now requires most employers to provide temporary paid sick, family, and medical leave for employees who are directly affected by the COVID-19 outbreak. However, eligible employers who provide qualifying sick or family and medical leave will be able to keep an amount of the payroll taxes they would normally pay equal to the amount of wages, employer's share of Medicare tax, and health insurance benefits provided to employees taking qualifying sick and family and medical leave. The paid sick, family, and medical leave helps ensure that workers are able to stay home from work when sick and are able to take care of their loved ones. These emergency categories of leave go into effect on April 1, 2020 and all leave required under this law expires on December 31, 2020.

Are my employees eligible for these paid leave programs?

If you are an employer with less than 500 employees, then your employees may be eligible for both paid sick leave and paid family leave under the Families First Coronavirus Response Act. Only employees who have been employed for at least 30 calendar days are eligible for paid family leave.

Can my business be exempted from the law's requirements?

If your business has fewer than 50 employees, you may apply to the United States Department of Labor's (DOL) Wage and Hour Division (WHD) for an exemption from only the emergency paid family and medical leave requirement if meeting the requirement would put the life of your business in jeopardy.

For more information about an exemption, please contact the WHD at 1-866-4US-WAGE.

My business will have to provide leave to employees. What are my employees entitled to?

Emergency Paid Sick Leave

Use: Employees may use sick leave because,

1. They are subject to a federal, state, or local quarantine, or isolation order related to COVID-19.
2. They have been advised by a health care provider to self-quarantine due to concerns related to COVID-19.
3. They are experiencing symptoms of COVID-19 and seeking a medical diagnosis.
4. They are caring for an individual who is subject to an order as described in paragraph (1) or has been advised as described in paragraph (2).
5. They are caring for a son or daughter because the school or place of care of the son or daughter has been closed, or the childcare provider of such son or daughter is unavailable due to COVID-19 precautions.
6. They are experiencing any other substantially similar condition specified by the secretary of Health and Human Services.

Pay:

- Full-time employees will receive their full regular rate of pay, capped at a total of \$511 per day, for leave taken pursuant to reasons (1), (2), and (3) above.
- Full-time employees will receive two-thirds their full regular rate of pay, capped at a total of \$200 per day, for leave taken pursuant to reasons (4), (5), and (6) above.
- For part-time employees or those with irregular hours, leave pay will be calculated based on the number of hours the employee works on average over a 2-week period in the past year.

Duration:

- If eligible for paid sick leave, full time employees will be granted 80 hours (10 days) of paid sick leave.
- Part-time employees will be granted a pro-rated amount based on their average number of hours.

Emergency Paid Family and Medical Leave

Use: Employees may use family and medical leave to

- Care for a child under 18 years of age whose school or childcare provider has been closed due to reasons related to COVID-19.

Pay:

- The first 10 days of this leave is unpaid, although employees may use paid time off or sick time to cover some, or all, of the initial unpaid period.
- After the initial 10 days, full time employees will receive two-thirds of their regular rate of pay, capped at a total of \$200 a day.

Duration:

- If eligible for paid family and medical leave, full-time employees may take such leave for up to 12 weeks total.
- Part-time employees or those with irregular schedules will be paid at 2/3 of their regular rate for the average number of hours worked over the prior 6 months of employment.

I already provide my employees with paid sick leave, can I change my policy because of these requirements?

No, please be aware that this emergency paid sick leave does not diminish your employees' existing rights to paid leave under a collective bargaining agreement or existing employer policy.

When does this take effect and will I get in trouble if I don't provide leave immediately?

The law takes effect on April 1, 2020. However, DOL will not bring an enforcement action against any employer for violations in the first 30 days so long as the employer has acted reasonably and in good faith to comply.

Will I receive any help in paying for this leave?

Yes, the Families First Coronavirus Response Act provides for a refundable tax credit to offset the costs of any paid leave wages that you must pay because of these requirements.

How will these tax credits work, and does this help me immediately?

Eligible employers who provide pay qualifying sick or family and medical leave will be able to keep an amount of the payroll taxes they would normally pay equal to the amount of wages, employer's share of Medicare tax, and health insurance benefits provided to employees taking qualifying sick and family and medical leave. The payroll taxes that are available for retention include withheld federal income taxes, the employee share of Social Security and Medicare taxes, and the employer share of Social Security and Medicare taxes with respect to all employees. If there are not sufficient payroll taxes to cover the cost of qualified sick and family and medical leave paid, employers will be able to file a request for an accelerated payment from the IRS for the difference. The IRS expects to process these requests in two weeks or less.

Can I claim a tax credit for paid sick leave I already provide to my employees?

No, only leave required under Families First, and granted starting April 1, 2020, is eligible for a tax credit.

More Information

For more information on implementing emergency paid leave, please visit www.dol.gov/agencies/whd/pandemic/ffcra-employer-paid-leave, or call the Department of Labor's Wage and Hour Division at 1-866-4US-WAGE.

For more information on employer tax credits related to emergency paid leave, please visit www.irs.gov/newsroom/treasury-irs-and-labor-announce-plan-to-implement-coronavirus-related-paid-leave-for-workers-and-tax-credits-for-small-and-midsize-businesses-to-swiftly-recover-the-cost-of-providing-coronavirus.

If you have additional questions, my staff will help get you answer. Contact my nearest office [here](#).

Payroll Tax Delay

Employers are now allowed to defer paying the employer portion of certain payroll taxes through the end of 2020, with all 2020 deferred amounts due in two equal installments, one at the end of 2021, the other at the end of 2022. Payroll taxes that can be deferred include the employer portion of FICA taxes, the employer and employee representative portion of Railroad Retirement taxes (that are attributable to the employer FICA rate), and half of SECA tax liability.

Eligibility

Employers, both businesses and non-profits, are eligible to defer their payroll taxes, **unless they receive a loan under the SBA Paycheck Protection Program**. More information about the SBA Paycheck Protection Program is available [here](#).

Deadlines

- Employers may defer payroll taxes through the end of 2020;
- The first 50 percent of the deferred amount must be paid before December 31, 2021;
- The second 50 percent of the deferred amount must be paid before December 31, 2022.

More Information

As more information about this tax credit becomes available, please check the IRS's website at <https://www.irs.gov/coronavirus>.

If you have additional questions, my staff will help get you answer. Contact my nearest office [here](#).