

Massive COVID-19 Spending Bill to Help Individuals, Businesses

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On March 25, the Senate passed the Coronavirus Aid, Relief, and Economic Security Act (CARES Act), which provides emergency assistance and health-care response for individuals, families, and businesses affected by the 2020 coronavirus pandemic.

Key provisions providing relief for small businesses:

Small-business interruption loans for businesses with not more than 500 employees. Loan may be forgiven by meeting certain requirements
Payroll tax credit: 50% refundable credit on wages paid up to \$10,000 of compensation (including health benefits) paid to an eligible employee during the crisis

Employer payroll taxes for the rest of 2020 may be delayed. Half of amount owed must be repaid by the end of 2021 and the other half owed to be repaid by the end of 2022

Modifications to net operating losses (NOLs) - Under this legislation, NOLs realized in 2018, 2019, or 2020 may be carried back a maximum of five years
Enhancements to paid sick and family leave program by providing advance refunding of paid leave tax credits so that employers can access the funds quicker

Government website links to learn more about available assistance programs:

[SBA Small Business Guidance and Loan Resources](#)

[NJ: What new State financial support programs is my business eligible for?](#)

Important to remember: Business owners and individuals should consult a financial advisor and tax professional to fully understand these changes and how they apply to their own situation. Guidelines are often updated and its important to stay informed on the latest developments.