

COVID/PPP LOAN FORGIVENESS AND OTHER RELEVANT FINANCE TOPICS

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COVID-19 Relief

- ▲ Cares Act signed into law on March 27, 2020.
- ▲ PPP Flexibility Act signed into law on June 5, 2020.
- ▲ Consolidated Appropriations Act signed into law on December 27, 2020.
- ▲ American Rescue Plan Act of 2021 signed into law on March 11, 2021.

CARES Act Funding

1. Employee Retention Credits
2. Economic Injury Disaster Loans
3. Cares Act funding from local governments deadline extended to December 2021.

PPP Forgiveness

- ▲ Payroll costs-salary, wages commissions, cash tips, PTO, severance, health insurance premiums, retirement benefits
- ▲ Interest only on commercial debt payments incurred before 2/15/20
- ▲ Rent payments on leases dated prior to 2/15/20
- ▲ Utility payments on service agreements dated before 2/15/20

PPP Forgiveness

To qualify for forgiveness:

- ▲ At least 60% is spent on payroll related costs.
- ▲ No more than 40% can be spent on rent, utilities, and interest.
- ▲ If 1st and 2nd draw, compensation levels of employees must remain the same from 1st draw to 2nd draw.

PPP Forgiveness

- ▲ Several different forms depending on certain qualifications.
- ▲ Documents to be gathered:
 - ▲ Bank statements or payroll registers.
 - ▲ Loan amortization schedules or cancelled checks.
 - ▲ Utility bills or cancelled checks.
 - ▲ Lease agreement or cancelled checks.

Consolidated Appropriations Act of 2021

- ▶ Expanded PPP to allow a 2nd draw.
- ▶ Clarified taxability of PPP and other CARES Act funding.
- ▶ Expanded the Employee Retention Credit deadline through June 30, 2021.
- ▶ Allowed the credit for those who had a PPP loan given they did not cover the same qualified wages.

HHS Provider Relief Funding

- ▲ Did HHS deposit funds into your account in 2020?
- ▲ This was for providers who bill for Medicare fee-for-service.
- ▲ Requires a grant audit for over \$750,000.

IRS Notices

- ▲ Have you gotten a recent notice?
- ▲ IRS is 25 million documents behind (normal back log is 1.5-3 million).
- ▲ Penalty abatement.



Questions?



▲ Contact information

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