

Federal Coronavirus Relief Programs

CARES Act and FFCRA

Learn more about the relief programs passed by Congress that are available to independent contractors and small business owners. Options for you to consider:

- [New and expanded Small Business Administration \(SBA\) loan programs](#) for small businesses, including real estate agents (self-employed individuals and sole proprietors, even if independent contractors of a brokerage)
- [Relief for businesses with existing SBA loans](#)
- [Economic relief](#), including \$1200 for most taxpayers and retirement account withdrawals free of penalties
- Payroll tax credit and deferrals & other tax benefits for:
 - [Self-employed individuals and Independent Contractors](#)
 - [Employers](#)
- Family Leave Protections and Sick Leave for:
 - [Self-employed individuals, including independent contractors](#)
 - [Employers and their employees](#)

Important: This summary is for your information only and cannot provide every detail that might be relevant to your situation. RE/MAX, LLC cannot be responsible for errors or omissions and cannot provide legal or tax advice. Research your options carefully.

Coronavirus SBA Loans at-a-Glance

	Paycheck Protection Program (PPP) Loan	Economic Injury Disaster Loan (EIDL)	SBA Express Loan
Who can borrow?			
Small Businesses (<500 employees)	Yes	Yes	Yes
Sole Proprietors and Self-Employed Individuals	Yes	Yes	Yes
Interest rate less than 4%	Yes	Yes	No
Loan term can be > 10 years	No	Yes	No
Fast review process (~36 hours)	No	No	Yes
What can the loan proceeds be used for?	<ul style="list-style-type: none"> • Payroll Costs* up to \$100k/person annualized. Even commissions & independent contractors! • Health care benefits • Mortgage interest • Rent • Utilities • Interest on previous debt • Other uses per SBA Business Loan Program 	<ul style="list-style-type: none"> • Payroll, but <u>not</u> a self-employed individual's own pay or compensation to independent contractors • Sick leave costs • Mortgage interest • Rent • Fixed debts • Accounts payable • Other bills you could have paid without COVID-19. <p><u>Certain uses</u> are ineligible.</p>	<ul style="list-style-type: none"> • Working capital • Refinance debt • Seasonal line of credit • Inventory.
Is Collateral Required?	No	No	Yes if >\$25k
Is a Personal Guarantee Required?	No	No	No
Must show ability to repay?	No	No	Yes
Are Payments Deferred for Now?	Yes	Yes	No
Can the Loan be Forgiven?	<p>Yes!</p> <p>If you maintain head count and use 60%+ on Payroll Costs, the first 24 weeks of Payroll Costs, mortgage interest, rent, & utilities are forgiven.</p>	No	No

* For PPP Loans under the CARES Act, Payroll Costs are:

- *For small businesses:* compensation to employees, such as salary, wage, commissions, cash, etc.; paid leave; severance payments; health benefits; retirement benefits; state and local payroll taxes; and compensation to independent contractors (including commissions), up to an annualized rate of \$100,000.
- *For sole proprietors, independent contractors, and eligible self-employed individuals:* wages, commission, income, net earnings from self-employment, or similar compensation, up to an annualized rate of \$100,000.

The Coronavirus Aid, Relief, and Economic Security Act (“CARES Act”)

The CARES Act creates a new Business Loan Program category – the Paycheck Protection Program (PPP) – and expands the Small Business Act’s (“SBA”) Disaster Loan Program – the Economic Injury Disaster Loan (EIDL) and SBA Express Loan programs. Here is what you need to know about each of these programs:

SBA Paycheck Protection Program (PPP Loan)	
Who Qualifies to Borrow?	<ol style="list-style-type: none">1. Small businesses (no more than 500 employees);2. Sole Proprietors;3. Independent Contractors; and4. Eligible self-employed individuals (an individual who (1) regularly carries on any trade or business within the meaning of section 1402 of the Internal Revenue Code; and (2) would be entitled to receive paid leave during the taxable year pursuant to the Emergency Paid Sick Leave Act if the individual were an employee of an employer (other than himself or herself).
Eligibility Requirements	<p>Requirements for Small Business:</p> <ol style="list-style-type: none">1. The business was operating as of February 15, 2020;2. The business paid employee salaries and payroll taxes, or paid independent contractors as reported on a Form 1099-MISC; and3. The business was substantially impacted by public health restrictions related to COVID-19. (Eligible borrowers would be required to make good faith certification that they have been affected by COVID-19 and will use funds to retain workers and maintain payroll and other debt obligations.) There is no requirement to evaluate the borrowers’ ability to repay the covered loan or that the borrower not be able to find credit elsewhere. <p>Requirements for Sole Proprietorships, Independent Contractors, and Eligible Self-Employed Individuals:</p> <ul style="list-style-type: none">• Carried on the trade or business prior to February 15, 2020.• Need to have filed, or will file, a Form 1040, Schedule C, for 2019. If you have not yet filed your 2019 tax return, you still must submit Form 1040, Schedule C for 2019 with your PPP application to substantiate the applied-for loan amount <p>All applicants must:</p> <ol style="list-style-type: none">1. Provide such documentation as the SBA and Treasury Department determine are necessary to establish such individual as eligible, including payroll tax filings, Forms 1099-MISC, and income and expenses from the sole proprietorship.2. Certify that:<ul style="list-style-type: none">• Loan is needed to continue operations during the COVID-19 emergency;• Funds will be used to retain workers and maintain payroll or make mortgage, lease, and utility payments;• Applicant does not have any other application pending under this program for the same purpose; and

SBA Paycheck Protection Program (PPP Loan)

	<ul style="list-style-type: none"> From February 15, 2020 until December 31, 2020, the applicant has not received duplicative amounts under the program. 3. Any individual with self-employment income must provide a 2019 IRS Form 1099-MISC showing non-employee compensation received, invoice, bank statement, or book of record that establishes you are self-employed. Please note that if you are a partner in a partnership, you may not submit a separate PPP application for yourself as a self-employed individual.
Maximum Loan Amount	<p>Borrower may receive the lesser of \$10 million or</p> <p>For small businesses, sole proprietor, independent contractors, and eligible self-employed individuals in operation or in the trade in 2019:</p> <ul style="list-style-type: none"> 2.5 times the average total monthly Payroll Cost (as defined below) during the year before application plus, the outstanding amount of any SBA EIDL made between January 31, 2020 and the date on which such loan may be refinanced as part of the PPP. <p>A borrower can calculate aggregate payroll costs using data from calendar year 2019 or from the previous 12 months.</p> <p>Different limits apply for small businesses, sole proprietors, independent contractors, and eligible self-employed individuals not in operation in 2019.</p> <p>The term "Payroll Cost" is defined under the CARES Act as:</p> <ul style="list-style-type: none"> For small businesses: compensation to employees, such as salary, wage, commissions, cash, etc.; paid leave; severance payments; group health benefits, including insurance premiums; retirement benefits; and state and local payroll taxes; but <i>excluding</i> compensation over an annual rate of \$100,000 per employee or contractor. For sole proprietors, independent contractors, and eligible self-employed individuals: wages, commission, income, net earnings from self-employment, or similar compensation but <i>excluding</i> compensation over an annual rate of \$100,000.
Interest Rate	1%
How much of the loan is guaranteed by the federal government?	Backed by 100% federal guarantee through the end of 2020. After this time, the guarantee percentage will revert to the standard SBA Section 7(a) loan guarantee (75% for loans over \$150,000 and 85% for loans less than \$150,000).

SBA Paycheck Protection Program (PPP Loan)

What can the loan's proceeds be used to pay?

Borrowers may, in addition to uses already allowed under the SBA's [Business Loan Program](#), such as working capital, use the loans for:

1. Payroll Costs (as defined above);
2. Group health care benefits during periods of paid sick, medical, or family leave, and insurance premiums;
3. Employee salaries, commissions, or similar compensations;
4. Payments of interest on mortgage obligations;
5. Rent/lease agreement payments;
6. Utilities; and
7. Interest on any other debt obligations incurred before the covered period.

Borrowers may not use the loan to compensate individual employees at a rate more than \$100,000 annualized, i.e. prorated for the covered period; for certain federal taxes; to compensate foreign employees; or for sick and family leave wages—for these a credit is allowed under the Families First Act.

Loan Forgiveness

Loan can be forgiven if the amount spent during the 24 weeks after the loan is issued, or December 31, 2020 (whichever is earlier) was on:

- Payroll Costs (as defined above, which includes independent contractor compensation);
- Interest payment on any mortgage incurred prior to February 15, 2020;
- Payment of rent on any lease in force prior to February 15, 2020;
- Payment on any utility for which service began before February 15, 2020; and
- For sole proprietors, business mortgage payments, business rent payments, and business utility payments (as listed on Form 1040, Schedule C).

The amount of loan forgiveness is capped by the full principal amount of the loan plus accrued interest. For self-employed individuals and independent contractors, payroll compensation is capped at 2.5 months' worth of 2019 compensation (capped at \$20,833 per individual).

If a borrower applies for loan forgiveness prior to the end of the covered period and has reduced the salaries or wages of any employee beyond 25%, the borrower must account for the excess reduction for the full covered period.

The amount forgiven would be reduced in proportion to any reduction in employee headcount or in any employee's pay (beyond 40%) compared to the prior year. However, if you can document one of the following, the loan forgiveness will not be impacted by a reduction in employee headcount:

- An inability to rehire individuals you employed on February 15, 2020 and an inability to hire qualified employees for open positions.
- An inability to return to the same level of business activity as before February 15, 2020 due to compliance with health requirements established by the CDC, Secretary of Health and Human Services, or OSHA from March 1, 2020 until December 31, 2020. A copy of the applicable requirements/guidance will need to be submitted.

If, by December 31, 2020 you rehire workers you laid off before getting the loan, they will not be counted as a reduction in headcount.

The loan will be fully forgiven if the funds are used for Payroll Costs, interest on mortgages, rent, and utilities (but at least 60% of the forgiven amount must have been used for Payroll Costs).

If you received a PPP loan prior to the enactment of the Paycheck Protection Program Flexibility Act of 2020 ("PPPPFA"), you can choose to maintain the original 8-week covered period from the CARES Act.

In order to have the loan forgiven, borrowers will need to submit one of the loan forgiveness applications to their lenders any time on or before the maturity date of the loan, including before the end of the covered period. Alternatively, some borrowers can complete the application electronically through their lender. The loan forgiveness applications include:

- Options for borrowers to calculate payroll costs using an "alternative payroll covered period" aligning with the borrowers' regular payroll cycles. If a borrower chooses this option, the non-payroll costs will still be measured during the original eight-week covered period following disbursement of the loan;

SBA Paycheck Protection Program (PPP Loan)

- Flexibility to include eligible payroll and non-payroll expenses that were paid or incurred during the 24-week period after receiving the PPP loan (or original 8-week period if applicant so chooses);
- Instructions on how to perform the calculations to confirm eligibility for loan forgiveness;
- Click [here](#) for PPP Loan Forgiveness Instructions and [here](#) for the Application. This application is for small businesses only.
- There is a shortened Alternative Loan Forgiveness Application, which should be used by the following:
 1. Self-employed individuals, independent contractors, or sole proprietors with no employees;
 2. Borrowers that did not reduce salaries by more than 25% during the covered period and did not reduce the number of employees or the average paid hours of employees; and
 3. Borrowers that did not reduce salaries by more than 25% during the covered period and were unable to operate during the covered period at the same level of business activity due to COVID-19 related safety requirements established by the CDC, Secretary of Health and Human Services, or OSHA.

Click [here](#) for the Alternative Loan Forgiveness instructions and [here](#) for the Application.

The lender will have 60 days to issue a decision on loan forgiveness to the SBA. Once payment is remitted to the lender, they will notify the borrower of the date on which the borrower's first payment is due, if applicable. If the lender determines a borrower is ineligible for forgiveness, the borrower can request the SBA review the decision.

Note that all PPP documentation must be retained for six years after the date the loan is forgiven or repaid in full and may be requested for review by the SBA at any time during that period.

Loan Deferment	Complete deferment of principal and interest payments until the SBA has compensated lenders for forgiven amounts. However, you need to apply for forgiveness within 10 months after the last day of the covered period.
Term	Portion not forgiven will have a maturity date of 5 years from the date on which the borrower applies for loan forgiveness. However, this only applies to loans made after the PPPFA is signed into law. Any PPP loans made prior to this date will have a maturity date of 2 years from the date on which the borrower applies for loan forgiveness.
Fees	<p>Waives both borrower and lender fees for participation in the PPP.</p> <p>No prepayment fees.</p>
Collateral and Personal Guarantees	<p>Waives collateral and personal guarantee requirements.</p> <p>SBA has no recourse against any individual, shareholder, member, or partner of an eligible loan recipient for non-payment, unless the individual uses the loan proceeds for unauthorized purposes.</p>

SBA Paycheck Protection Program (PPP Loan)

Additional Information

An applicant that received an EIDL loan between January 31, 2020 and March 27, 2020 may not also receive a PPP loan if the proceeds from the EIDL loan are being used for Payroll Cost or other expenses listed under the "What can the loan's proceeds be used to pay?" section above.

Refinancing EIDL loans into a PPP:

- An EIDL loan made between January 31, 2020 and March 27, 2020 may be refinanced into a PPP loan.
- Once converted into a PPP loan, the proceeds can be used as allowed for PPP loans.
- An EIDL grant award of up to \$10K would be subtracted from the amount forgiven under the PPP.
- If applicant applies and receives a PPP loan and the applicant obtained an EIDL between January 31, 2020 and April 3, 2020, which was used for payroll costs, the EIDL **must** be refinanced as a PPP loan.

Apply for the PPP at any lending institution that is approved to participate through the SBA. See the SBA's Paycheck Protection Program site [here](#) or visit your local [SBA Small Business Development Center](#) and they will guide you to lenders. To apply for a loan, applicants will need to submit the following forms:

- [PPP Borrower Application Form \(SBA Form 2483\)](#)
- Payroll documentation.

The requirement that a borrower be unable to obtain credit elsewhere is waived for PPP loans.

While partnerships are eligible for PPP loans, the partnership (and an LLC filing taxes as a partnership) and its partners are limited to one PPP loan. The self-employment income of general active partners may be reported as a payroll cost, up to \$100,000 annualized, on the loan application filed by or on behalf of the partnership.

Other regulated lenders will be able to make these loans as soon as they are approved and enrolled in the program.

The SBA may review a loan at any time to confirm borrower eligibility, loan amounts, use of proceeds, and loan forgiveness amounts. If the SBA determines a borrower is ineligible for a loan or is ineligible for the loan amount or amount of loan forgiveness claimed on applications, the borrower can appeal the SBA determination. Further guidelines regarding the appeal process will be released soon.

A borrower must inform the state unemployment insurance office of any employee that rejected a rehire offer within 30 days of the rejection of the offer. Further information on this process will be released soon.

Franchisees will need to complete and sign a form 2462 addendum to their franchise agreement and then send it to their Business Growth Consultant for review and signature. Agents, independent contractors, and/or teams applying themselves **do not** need to submit this form. Please visit the Additional Resources section at <https://news.remax.com/cares-act>, for a pre-filled copy of the addendum.

SBA Paycheck Protection Program (PPP Loan)

When Can You Apply?	<p>If you've already applied for a PPP loan through an SBA lender but have not been approved yet: Check with your lender to see if they are maintaining a queue of applications during the lapse or if you will need to reapply when the renewed funding comes through.</p> <p>If you have not applied yet for a PPP loan through an SBA lender: Have the application form filled out and your documentation ready to provide to your lender. (For brokers with employees, have payroll documentation; for sales associates, have your 2019 Form 1040, Schedule C, and 1099-MISC.) If you have an existing relationship with an SBA lender, you should go to that lender, but be prepared to try multiple lenders, which you can find on the SBA site.</p>
Application Deadline	August 8, 2020
Key Link	<p>Use this application to apply for the PPP</p> <p>SBA Paycheck Protection Program</p> <p>SBA PPP Guidelines – 4.2.20 (General)</p> <p>SBA PPP Guidelines – 4.14.20 (Sole Proprietors)</p> <p>U.S. Department of the Treasury PPP FAQs</p> <p>PPP Loan Forgiveness Application (small businesses)</p> <p>PPP Loan Forgiveness Instructions (small businesses)</p> <p>PPP Alternative Loan Forgiveness Application (see who qualifies above)</p> <p>PPP Alternative Loan Forgiveness Instructions (see who qualifies above)</p> <p>PPP Review Rules</p> <p>SBA PPP Loan Forgiveness Rules</p>

SBA 7(b) – Economic Injury Disaster Loan (EIDL)

Who Qualifies to Borrow?	<ol style="list-style-type: none"> 1. Small businesses (no more than 500 employees); and 2. Individuals operating as a sole proprietor.
Eligibility Requirements	<p>Small businesses in all states are deemed to have sufficient economic damage to qualify for assistance under this loan program pursuant to the CARES Act.</p> <p>Among the items required to be provided at the time of application are:</p> <ul style="list-style-type: none"> ○ Tax Information Authorization (IRS Form 4506T) completed and signed by each applicant; each principal owning 20 percent or more of the applicant business; each general partner or managing member; and by any owner who has greater than 50 percent ownership in an affiliate business. Affiliates include, but are not limited to, business parents, subsidiaries, and/or other businesses with common ownership or management. ○ Complete copies, including all schedules, of the most recent Federal income tax returns for the applicant business and an explanation if not available. ○ Personal Financial Statement (SBA Form 413) completed, signed, and dated by the applicant, each principal owning 20 percent or more of the applicant business, and each general partner or managing member. ○ Schedule of Liabilities listing all fixed debts (SBA Form 2202 may be used). <p>The following may be required to be submitted if SBA requests in the future (so it is best to gather these documents as soon as possible):</p> <ul style="list-style-type: none"> ○ Complete copy, including all schedules, of the most recent Federal income tax return for each principal owning 20 percent or more, each general partner or managing member, and each affiliate when any owner has more than 50 percent ownership in the affiliate business. Affiliates include, but are not limited to, business parents, subsidiaries, and/or other businesses with common ownership or management. ○ If the most recent Federal income tax return has not been filed, a year-end profit-and-loss statement and balance sheet for that tax year. ○ A current year-to-date profit-and-loss statement. ○ Additional Filing Requirements (SBA Form 1368) providing monthly sales information. <p>The SBA will also require the applicant to certify that it meets the eligibility criteria.</p> <p>Loan can be approved by SBA based on an applicant's credit score only.</p> <p>A previous bankruptcy is not disqualifying.</p>
Maximum Loan Amount	Up to \$2M. Loan amount based on the size and type of business and its financial resources.

SBA 7(b) – Economic Injury Disaster Loan (EIDL)

Emergency Advance / EIDL Grant	<p>Applicants applying for an EIDL in response to COVID-19 may, between January 31, 2020 and December 31, 2020, request an emergency advance from the SBA of up to \$10,000, which does not have to be repaid, even if the loan application is later denied.</p> <p>The Administrator is charged with verifying an applicant's eligibility by accepting a "self-certification." Advances are to be awarded within three days of an application.</p> <p>If an applicant that receives an emergency advance transfers into, or is approved for, a loan under the PPP Loan Program, since the applicant received the EIDL advance amount as a grant, the amount by which the PPP Loan can be forgiven will be reduced by the grant amount.</p>
Interest Rate	Maximum 3.75%
How much of the loan is guaranteed by the federal government?	Not applicable - Loans are made directly by the SBA.
What can the loan's proceeds be used to pay?	<p>Used to pay fixed debts, payroll, accounts payable, and other bills that could have been paid had COVID-19 not occurred.</p> <p>See SBA SOP for ineligible uses.</p> <p>Advances may be used for purposes already authorized under the SBA Disaster Loan Program, including:</p> <ul style="list-style-type: none"> • Providing sick leave to employees unable to work due to direct effect of COVID-19; • Maintaining payroll during business disruptions during slow-downs; • Meeting increased supply chain costs; • Making rent or mortgage payments; and • Repaying debts that cannot be paid due to lost revenue.
What period's expenses can I use the loan to cover?	Available to cover expenses for the period of January 31, 2020 to December 31, 2020
Loan Forgiveness	None
Loan Deferment	One-year deferment on the loan (interest will still accrue)
Term	Up to 30 years. Terms are determined on a case-by-case basis, based on the applicant's ability to repay.
Fees	<p>No cost to apply.</p> <p>There is no prepayment penalty.</p>
Collateral and Personal Guarantees	No personal guarantees on advances or loans of \$200K or less.

SBA 7(b) – Economic Injury Disaster Loan (EIDL)

Additional Information	<p>The CARES Act:</p> <ul style="list-style-type: none">• Waives the “1 year in business prior to the disaster” requirement (business still must have been in operation since January 31, 2020);• Waives requirement applicant must be able to find credit elsewhere;• Allows lenders to approve applicants based on credit score or applicant’s ability to repay. <p>Applicants are encouraged to apply online for an EIDL.</p> <p>Applicants that have an existing EIDL may apply for an EIDL for COVID-19, but the loans may not be consolidated.</p> <p>An EIDL made between January 31, 2020 and June 30, 2020 may be refinanced as part of a PPP loan. If you obtained an EIDL between January 31, 2020 and April 3, 2020 and used the proceeds of the loan for payroll costs, you must refinance your EIDL loan to a PPP loan.</p> <p>Franchisees will need to complete and sign a form 2462 addendum to their franchise agreement and then send it to their Business Growth Consultant for review and signature. Agents, independent contractors, and/or teams applying themselves do not need to submit this form. Please visit the Additional Resources section at https://news.remax.com/cares-act, for a pre-filled copy of the addendum.</p>
Application Deadline	<p>Deadline to apply varies by state (determined by when state was declared a disaster zone). Most states have a deadline in December 2020. A list of exact state deadlines is available on this site.</p> <p>If you’ve already applied for an EIDL: The SBA is processing applications already in their system on a first-come, first-served basis. You do not need to reapply.</p> <p>If you have not already applied for an EIDL: Check back at the SBA application page once the additional funding is signed into law. The SBA will re-open applications shortly afterwards.</p>
Key Links	<p>Apply Online with the SBA for an EIDL</p> <p>See also the list of State EIDL Deadlines on news.remax.com/cares-act.</p>

SBA Express Loan

Who Qualifies to Borrow?	1. Small businesses (no more than 500 employees); 2. Sole Proprietors and Self-employed Individuals.
Eligibility Requirements	Must show good character, credit, management, and ability to repay.
Maximum Loan Amount	\$1M through December 31, 2020, after which point the Express Loan would have a maximum of \$350,000.
Interest Rate	Negotiable, not to exceed SBA maximum (currently 8%).
How much of the loan is guaranteed by the federal government?	50%
What can the loan's proceeds be used to pay?	May be used for revolving line of credit or for a term loan. Used for working capital, refinancing debt for compelling reasons; seasonal line of credit, or inventory.
What period's expenses can I use the loan to cover?	No limitation
Loan Forgiveness	None
Loan Deferment	No
Term	Depends on ability to repay. 5 -10 years for working capital. When loan is used for multiple purposes, maturity may be blended.
Fees	Vary. Veteran's fee waiver to be permanently waived.
Collateral and Personal Guarantees	Lenders are not required to take collateral for loans up to \$25,000. May use their existing collateral policy for loans over \$25,000.
Additional Information	Accelerated turnaround time for SBA to review. Generally 36 hours. Franchisees will need to complete and sign a form 2462 addendum to their franchise agreement and then send it to their Business Growth Consultant for review and signature. Agents, independent contractors, and/or teams applying themselves do not need to submit this form. Please visit the Additional Resources section at https://news.remax.com/cares-act , for a pre-filled copy of the addendum.
Application Deadline	None
Key Link	SBA Express Loan Program

CARES Act Relief for Existing SBA Loans

- If businesses or individuals currently have an SBA 7(a), SBA Express Loan, or SBA Non-7(a) micro-loan, the SBA will pay the principal, interest, and other fees for six months starting on the next payment. Loans already on deferment will be paid for six months beginning with the first payment after the deferral period.

CARES Act Employee, Self-employed Individual, and Independent Contractor Economic Relief

Program	Benefits	Eligibility Requirement	Restrictions
Recovery Rebates	<p>Taxpayers will receive payments of up to \$1,200 for individuals and \$2,400 for married joint filers.</p> <p>Payments increase \$500 for each dependent child.</p>	Must have filed a 2018 tax return.	The payments will be reduced for higher income taxpayers and will begin phasing out at \$75,000 of adjusted gross income (AGI) for individuals and \$150,000 for joint filers. There will be no payments to individuals with incomes over \$99,000 or joint filers over \$198,000.
Retirement Accounts	<p>Waives 10% early withdrawal penalty for retirement account distributions up to \$100,000 related to COVID-19 needs. Income from these distributions will be taxed over three years and the funds can be recontributed to an eligible retirement plan within three years, exclusive of that year's contribution cap.</p>	Individuals	\$100,000 limit on penalty-free withdrawals.
Pandemic Unemployment Assistance (PUA)	<p>Program expands unemployment insurance eligibility to self-employed workers and independent contractors.</p> <p>Extended from 26 weeks (in most states) to 39 weeks.</p> <p>Payable for the period beginning on January 27, 2020 and ends on December 31, 2020.</p> <p>The amount of benefits includes the amount that would be calculated under state law plus \$600 per week allowed under the Federal Pandemic Unemployment Compensation (FPUC) Program, through July 31, 2020. For self-employed individuals and independent contractors, a federal unemployment compensation payment equal to one-quarter of the state's average weekly benefit amount plus \$600, or a total of about \$675 a week, on average.</p> <p>Waiver of the usual one-week waiting period.</p>	<p>Individuals that are eligible for state or federal unemployment compensation and self-employed individuals (including independent contractors).</p> <p>A covered individual must self-certify that he/she is able and available to work but is unemployed or partially unemployed due to any of the following:</p> <ul style="list-style-type: none"> Has been diagnosed with COVID-19 or is experiencing symptoms and seeking a medical diagnosis; A member of the individual's household has been diagnosed with COVID-19; The individual is providing care for a family member or household member who has been diagnosed with COVID-19; The individual is the primary caregiver for a child or other person in the household who is unable to 	<p>Not eligible for benefits if an individual can telework with pay or are receiving paid sick leave or other paid leave benefits.</p> <p>It is likely that states will need to first determine the applicant is ineligible to apply for regular unemployment insurance benefits in order to process a PUA claim. Many states will do this by having an applicant apply for regular unemployment insurance benefits and get denied, prior to processing the PUA claim. For example, if an agent puts a broker as their employer, when the broker is notified and asked to respond, they should respond that they are not eligible for regular assistance because they are an independent business. Please visit this page sponsored by the U.S. Department of Labor to find state-specific information on unemployment benefits.</p>

Program	Benefits	Eligibility Requirement	Restrictions
		<p>attend school or another facility as a direct result of COVID-19;</p> <ul style="list-style-type: none"> The individual is unable to reach the place of employment because of a quarantine imposed as a direct result of COVID-19; The individual is unable to work because a health care provider has advised the individual to self-quarantine due to COVID-19 concerns; The individual was scheduled to commence employment and does not have a job or is unable to reach the job as a direct result of COVID-19; The individual has become the breadwinner or major support for a household because the head of household has died as a direct result of COVID-19; The individual has to quit their job as a direct result of COVID-19; or The individual's place of employment is closed as a direct result of COVID-19 public health emergency. 	

CARES Act Self-employed Individuals and Independent Contractor Economic Relief

Program	Benefits	Eligibility Requirement
Self-employment Social Security Tax Payment Deferral	Allows self-employed individuals and independent contractors to temporarily defer payment of social security taxes. The deferred tax will have to be paid over the next two years—half by December 31, 2021 and half by December 31, 2022.	Self-employed individuals and independent contractors

Net Operating Losses	Limitation on the ability to use net operating losses from prior years in the current tax year have been relaxed. Losses from 2018, 2019, and 2020 can be carried back five years and the taxable income limitation is removed to allow a net-operating loss to fully offset income. Allows individuals to use losses now that otherwise would have to be carried over to future years, amending prior year returns to reduce liability achieving a refund.	Self-employed individuals and independent contractors
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CARES Act Employer Payroll Tax Credit and Deferral and other Economic Benefits

Program	Benefits	Eligibility Requirement
Employee Retention Credit	<p>Allows a refundable payroll tax credit for 50% of wages paid by employers to employees during the COVID-19 crisis and is based upon qualified wages paid to the employee.</p> <p>For employers with 100+ full-time employees, qualified wages are wages <u>paid</u> although they aren't providing services due to COVID-19.</p> <p>For employers with <100 full-time employees, <u>all</u> wages qualify.</p> <p>The 50% credit is provided on the first \$10,000 of compensation per person (so the maximum credit is \$5,000), including health benefits.</p> <p>The credit is provided for wages paid or incurred from March 13, 2020, through December 31, 2020.</p>	<p>The credit is available to employers whose:</p> <ol style="list-style-type: none"> (1) operations were fully or partially suspended due to a COVID-19-related shut-down order, or (2) gross receipts declined by more than 50% compared to the same quarter last year, and whose gross receipts averaged less than \$25 million annually for the previous 3 years. <p>*If an eligible employer receives an EIDL or PPP loan, they are not eligible for this credit.</p>
Social Security Tax Payment Deferral	Allows employers to temporarily defer payment of employees' social security taxes. The deferred tax will have to be paid over the next two years: half by December 31, 2021 and half by December 31, 2022.	N/A
Net Operating Losses	Limitation on the ability of businesses to use net operating losses from prior years in the current tax year have been relaxed. Losses from 2018, 2019, and 2020 can be carried back five years. Removes the taxable income limitation to allow a net-operating loss to fully offset income. Allows companies to use losses now that otherwise would have to be carried over to future years, amending prior year returns to free up liquidity.	N/A
Deduction for Interest Expense	Businesses can claim a deduction for interest expenses up to 50% of their adjusted taxable income.	N/A
Write off for Facility Improvements	Businesses will be allowed to write off costs associated with improving facilities in the current year. This will allow the amendment of prior year tax returns to receive refunds and also reduce the current year tax liability.	N/A

Family Leave Protections and Sick Leave: The Families First Coronavirus Response Act (FFCRA) and the Emergency Family and Medical Leave (FMLA) Expansion Act

Relief for Self-Employed Individuals, Including Independent Contractors, for Family Leave and Sick Leave.

Program	Benefits	Eligibility Requirements	Restrictions
Family Leave Tax Credit for Self-Employed Individuals Benefit available from April 1, 2020 to December 31, 2020.	Refundable tax credit equal to 100% of a qualified family leave equivalent for eligible self-employed individuals. Capped at the lesser of \$200 per day or the average daily self-employment income. Creditable against income and self-employment taxes.	Self-employed individual that cannot work due to need for leave to care for a son or daughter under 18 years of age if the child's school or place of care has been closed, or the child care provider for such son or daughter is unavailable due to a public health emergency.	Limited to 50 days. The self-employed individual may only take into account those days they are unable to work for qualified reasons and they must maintain certain documentation to establish eligibility for the credit.

Program	Benefits	Eligibility Requirements	Restrictions
<p>Sick Leave Tax Credit for Self-Employed Individuals</p> <p>Benefit available from April 1, 2020 to December 31, 2020.</p>	<p>Refundable tax credit of:</p> <ul style="list-style-type: none"> • 100% of the qualified sick leave equivalent for those who must self-isolate, are diagnosed, or comply with a self-isolation recommendation, capped at \$511 per day. • 67% of a qualified sick leave equivalent for those caring for a family member or for a child whose school or place of care has been closed, capped at \$200 per day. <p>Creditable against income and self-employment taxes.</p>	<p>Self-employed individuals that cannot work for a reason that would entitle them to coronavirus-related sick leave as if the self-employed individual were an employee. These reasons include:</p> <ul style="list-style-type: none"> • Being subject to a federal, state, or local coronavirus quarantine or isolation order; • Being advised by a health care provider to self-quarantine due to coronavirus concerns; • Experiencing coronavirus symptoms and seeking a medical diagnosis; • Caring for someone else who is subject to a coronavirus-related quarantine or isolation order, or who has been advised by a health care provider to self-quarantine; • Caring for a son or daughter if the child's school or daycare has been closed or the child's care provider is unavailable; or • Experiencing a similar condition specified by the Secretary of Human Health and Human Services. 	<p>The self-employed individual may only take into account days they are unable to work for qualified reasons and they must maintain certain documentation to establish their eligibility for the credit.</p>

Relief for Employers and their Employees for Family Leave and Sick Leave

Program	Relief for Employees			Relief for Employers		
	Benefits	Requirement	Restrictions	Benefits	Requirements	Restrictions
Family Leave Benefit available from April 1, 2020 to December 31, 2020.	Up to 12 weeks of job-protected leave under FMLA if: <ul style="list-style-type: none"> They are caring for a son or daughter if the child's school or place of care has been closed, or the childcare provider of the child is unavailable, due to COVID-19 precautions. Family leave pay is capped at \$200 per day and \$10,000 in total.	At least 30 days on the job. The first 10 days of leave could be unpaid, though an employee could choose to use accrued vacation or other available paid leave. Following the 10-day period, employees must be paid at least two-thirds of their normal pay rate.	The Department of Labor has granted broad authority to exempt employers with fewer than 50 employees if the requirement to provide leave would jeopardize the viability of the business.	A refundable tax credit equal to 100% of qualified family leave wages paid.	The tax credit is allowed against the employer's portion of Social Security taxes. The employer can fund the family leave pay using employment taxes that have been withheld. Qualified wages are capped at \$200 per day and \$10,000 per employee. The credit also includes the cost of an employee's health insurance premium. Family leave pay is exempt from employment taxes.	The credit is triggered only after a covered employee has taken 10 days of paid sick leave.

Relief for Employees				Relief for Employers		
Sick Leave Benefit available from April 1, 2020 to December 31, 2020.	<p>Two weeks of paid sick leave:</p> <ul style="list-style-type: none"> paid at 100% of regular rate (capped at \$511/day) if the employee: <ul style="list-style-type: none"> is subject to a quarantine or isolation order; has been advised to self-quarantine; experiences symptoms; or, paid at 67% the employee's regular rate (capped at \$200/day) if the employee: <ul style="list-style-type: none"> is on leave to care for someone subject to an isolation order; or is on leave to care for a son or daughter whose school has been closed or childcare is unavailable, due to COVID-19. <p>Full-time employees receive up to 80 hours of sick leave. Part-time workers are eligible for as many hours as they work in two weeks.</p>	<p>At least 30 days on the job.</p> <p>Employers that already have existing paid leave policies must provide workers with at least this level of emergency paid sick time.</p>	<p>The Department of Labor is granted broad authority to exempt employers with fewer than 50 employees if the requirement to provide leave would jeopardize the viability of the business.</p>	<p>A refundable tax credit equal to 100% of qualified paid sick leave wages paid</p>	<p>The tax credit is allowed against the employer's portion of Social Security taxes paid. The employer can fund the family leave pay using employment taxes that have been withheld.</p> <p>The amount of credit per employee is capped at the same levels as mandatory pay (\$511 or \$200/day).</p> <p>The credit also includes the cost of an employee's health insurance premium. Family leave pay is exempt from employment taxes.</p>	

Additional Resources:

- [NAR overview of the Families First Coronavirus Response Act \(FFCRA\)](#)
- [NAR overview of the Coronavirus Aid, Relief, and Economic Security Act \(CARES Act\)](#)
- [U.S. Department of the Treasury CARES Act information](#)
- [U.S. Department of the Treasury PPP FAQs](#)
- [SBA PPP Guidelines – 4.2.20 \(General\)](#)
- [SBA PPP Guidelines – 4.14.20 \(Sole Proprietors\)](#)
- [SBA PPP Loan Forgiveness Rules \(General\)](#)
- [SBA PPP Alternative Loan Forgiveness Rules \(Independent Contractors\)](#)
- [SBA PPP Review Rules](#)
- [SBA PPP Loan Forgiveness Rules](#)
- See also our list of State-by-state Resources from Chambers of Commerce and Realtor Associations on news.remax.com/cares-act.