

National Wood Flooring Association
Member Guide to
CORONAVIRUS
ECONOMIC RELIEF
Version 5



Most NWFA members are small businesses, and many are impacted by the Coronavirus (COVID-19) pandemic. NWFA has reviewed the Coronavirus Aid, Relief, and Economic Security (CARES) Act to gather information that will help eligible members navigate the programs available to them through the Small Business Administration. As this situation rapidly evolves, please visit each program's website for the latest information regarding availability and funds.

Here is what you need to know.
See the latest updates at hardwoodfloorsmag.com

NWFA Member Guide
to Coronavirus, V.5,
May 19, 2020

A microscopic view of red coronavirus particles, showing their characteristic crown-like structure with spikes. The particles are scattered across the bottom of the page.
nwfa
WWW.NWFA.ORG

CARES ACT

The Coronavirus Aid, Relief, and Economic Security (CARES) Act is an emergency economic relief package designed to provide \$2 trillion in immediate financial assistance to individuals and businesses. Specific initiatives relevant to small businesses are summarized here.

ECONOMIC INJURY DISASTER LOAN

Low-interest working capital loan available for economic injury resulting from temporary loss of revenue.

Eligibility

Businesses with fewer than 500 employees, including sole proprietors and self-employed individuals.

Amount Available

Up to \$2 million.

Items Covered

Operating expenses, including payroll, accounts payable, fixed debt, and other bills that could have been paid had the disaster not occurred.

Terms

Up to 30 years, at an interest rate of 3.75%. Payments for COVID-19 EIDL loans are deferred for one year.

<https://www.sba.gov/page/disaster-loan-applications#section-header-0>

DEADLINE

Dec. 31, 2020

APPLICATION

<https://covid19relief.sba.gov/#/>

ECONOMIC INJURY DISASTER LOAN EMERGENCY GRANT

Federal disaster grant to provide quick relief for pending Economic Injury Disaster Loans applications.

Eligibility

Businesses with fewer than 500 employees, including sole proprietors and self-employed individuals.

Amount Available

\$10,000.

Items Covered

Operating expenses, including payroll, accounts payable, fixed debt, and other bills that could have been paid had the disaster not occurred.

Terms

Funds will be available within days of a successful Economic Injury Disaster Loan application. Grants can be awarded even if you do not receive an EIDL loan. Grants do not need to be repaid, even if the loan is not approved; however, if you receive a PPP loan, the \$10,000 grant will be subtracted from the forgiveness amount of the PPP loan.

<https://www.sba.gov/funding-programs/loans/coronavirus-relief-options/economic-injury-disaster-loan-emergency-advance>

DEADLINE

Dec. 31, 2020

APPLICATION

<https://covid19relief.sba.gov/#/>

PAYCHECK PROTECTION PROGRAM LOAN

Federal loan to provide cash-flow assistance to maintain payroll.

Eligibility

Businesses with fewer than 500 employees, including sole proprietors and self-employed individuals.

Amount Available

2.5 times average monthly payroll costs, up to \$10 million. For salaries exceeding \$100,000, only the amount up to \$100,000 is eligible. Payroll costs include salary/wages/tips, sick/family/PTO leave, severance payments, group health benefits (including insurance premiums), retirement benefits, and state or local taxes.

Items Covered

Payroll costs include salary/wages/tips/commissions, sick/family/PTO leave, severance payments, group health benefits (including insurance premiums), retirement benefits, rent, utilities, and state or local taxes.

Terms

Forgivable portions of the loan include payroll costs, mortgage interest, rent, and utilities incurred during the 8-week period beginning on the loan origination date. This amount is excluded from taxable income. Non-forgivable portions of the loan will have a term of 2 years, at an interest rate of 1%. No more than 25% of the forgivable amount can be used for non-payroll costs.

Payroll Protection Program ("PPP") Loan Calculations	Trailing 12 Months	Running Total
Total compensation for prior 12 months	\$	\$
Compensation above \$100,000/recipient	\$	\$
Compensation paid to employees living outside of the U.S.	\$	\$
Employee portion of FICA	\$	\$
Employee portion of FICA on compensation above \$100,000/employee	\$	\$
Federal income tax withholding	\$	\$
Federal income tax withholding on compensation above \$100,000/employee	\$	\$
Payroll cost	\$	
Monthly payroll cost	\$	
2.5 x monthly payroll cost	\$	
Cap on PPP loan	\$10,000,000	
PPP Loan	\$	

Calculation of Forgivable Portion of PPP Loan	8-Week Period from Receiving PPP Loan	Running Total
Total compensation	\$	\$
Portion paid to employees with respect to annual compensation above \$100,000	\$	\$
Employee portion of FICA	\$	\$
Employee portion of FICA with respect to compensation above \$100,000/employee	\$	\$
Federal income tax withholding	\$	\$
Federal income tax withholding with respect to compensation above \$100,000/employee	\$	\$
Payroll cost	\$	\$
Mortgage interest paid	\$	\$
Rent paid	\$	\$
Utilities paid	\$	\$
Total eligible for forgiveness	\$	\$
Reduction based on decrease in employer (1106(d)(2))	\$	\$
Reduction based on decrease in salary (1106(d)(3))	\$	\$
Reduction for EIDL grant of up to \$10,000	\$	\$
Total amount forgiven	\$	
PPP loan	\$	
Amount forgiven	\$	
Remaining PPP loan payable @ 4% over 10 years	\$	

<https://www.sba.gov/funding-programs/loans/coronavirus-relief-options/paycheck-protection-program>

DEADLINE

June 30, 2020

APPLICATION

Contact your banker, or a qualified SBA 7(a) lender.

DEBT RELIEF PROGRAM

Provides immediate financial relief for SBA non-disaster (non-COVID) loans.

Eligibility

Businesses with SBA non-disaster loans approved prior to September 27, 2020.

Amount Available

Relief from loan payments, including principal, interest, and fees.

Items Covered

Previously approved SBA non-disaster loans, including 7(a), 504, and microloans.

Terms

Six months.



<https://www.sba.gov/funding-programs/loans/coronavirus-relief-options/sba-debt-relief>

DEADLINE

Unknown

APPLICATION

Contact your qualified SBA loan provider.

EMPLOYEE RETENTION CREDIT PROGRAM

Provides fully refundable employee payroll tax credits.

Eligibility

Businesses of all sizes that have not taken a small business loan, and are either (1) fully or partially shut down due to COVID-19, or (2) have gross receipts less than 50% of the comparable quarter in 2019.

Amount Available

50% of qualifying wages (up to \$10,000), paid between March 12, 2020, and before January 1, 2021, for a total of \$5,000 credit per calendar quarter.

Items Covered

Wages include payroll costs and a portion of employer-provided health care. For employers with fewer than 100 employees, the credit is based on wages paid to all employees, including those who did and did not work. For employers with more than 100 employees, the credit is allowed only for wages paid to employees who did not work.

Terms

March 12, 2020, through January 1, 2021.



<https://www.irs.gov/newsroom/faqs-employee-retention-credit-under-the-cares-act>

DEADLINE

Unknown

APPLICATION

<https://www.irs.gov/forms-pubs/about-form-7200>

TAX FILING EXTENSION

Filing deadline for U.S. federal taxes extended.

Eligibility

Businesses of all sizes.

Extension Period

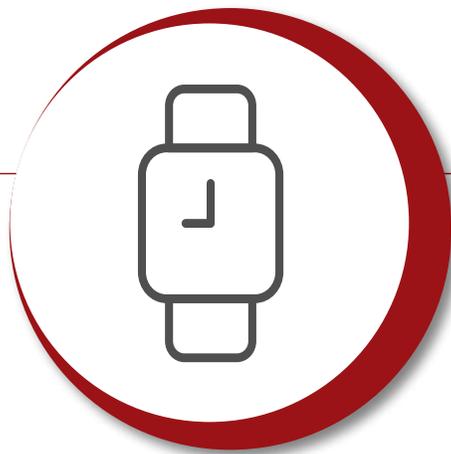
April 15, 2020, to July 15, 2020.

Items Covered

Federal tax returns, including all payments due.

Terms

No penalties or interest applied.



<https://www.irs.gov/newsroom/tax-day-now-july-15-treasury-irs-extend-filing-deadline-and-federal-tax-payments-regardless-of-amount-owed>

DEADLINE

July 15, 2020

APPLICATION

<https://www.irs.gov/forms-instructions>

COUNSELING & TRAINING

Provides free and low-cost counseling, mentoring, and training for small businesses.

Eligibility

Businesses with fewer than 500 employees, including sole proprietors and self-employed individuals.

Amount Available

Free for counseling and mentoring. Low-cost for training.

Items Covered

One-on-one counseling, training, networking, workshops, technical assistance, and mentoring.

Terms

None.

<https://www.sba.gov/page/coronavirus-covid-19-small-business-guidance-loan-resources#section-header-10>

DEADLINE

Not applicable.

APPLICATION

<https://www.sba.gov/local-assistance/find/>

NET OPERATING LOSSES

Relaxes limitations on use of losses to offset taxable income.

Eligibility

Most businesses, including sole proprietors and self-employed individuals.

Amount Available

Varies depending on losses incurred.

Items Covered

Losses incurred in 2018, 2019, and 2020 can be taken and carried back five years. Suspends 80% of taxable income limitation for losses incurred in 2018, 2019, and 2020.

Terms

None.

<https://www.irs.gov/newsroom/net-operating-losses>

APPLICATION

<https://www.irs.gov/forms-pubs/about-form-1139>

DEFERRED SOCIAL SECURITY PAYMENTS

Provides temporary deferral of Social Security tax payments.

Eligibility

Most businesses, including sole proprietors and self-employed individuals.

Amount Available

6.2% of wages.

Items Covered

Social Security taxes on all employee wages.

Terms

Half of deferred amount must be paid by December 31, 2021. The remaining half of deferred amount must be paid by December 31, 2022.

<https://www.irs.gov/pub/irs-drop/n-20-22.pdf>

APPLICATION

Contact your payroll processor.

SAVE SMALL BUSINESS FUND

Federal disaster grant to provide short-term relief for economic injury to small businesses due to COVID-19.

Eligibility

Businesses with 3 to 20 employees, located in economically vulnerable areas (identified by zip code). Independent contractors are not eligible.

Amount Available

\$5,000.

Items Covered

Business expenses.

Terms

Funds will be available within 3-5 days of approval. Grants do not need to be repaid.

<https://savesmallbusiness.com/>

DEADLINE

Until funds are expired. Applications accepted starting April 20, 2020.

APPLICATION

<https://savesmallbusiness.com/>

MAIN STREET LENDING PROGRAM

Federal loan available for small and medium-sized businesses.

Eligibility

Businesses with 15,000 employees or fewer, and 2019 revenues of \$5 billion or less.

Amount Available

\$500,000 to \$25 million.

Items Covered

Business expenses.

Terms

Adjustable rate of London Inter-Bank Offered Rate (1 or 3 month) + 300 basis points, 4 years, principal and interest deferred for one year.



<https://www.federalreserve.gov/monetarypolicy/mainstreetlending.htm>

DEADLINE

September 30, 2020. Applications accepted starting April 30, 2020.

APPLICATION

Available from eligible lenders.

STATE CORONAVIRUS SMALL BUSINESS ASSISTANCE

Regional loans and grants available to small businesses.

Eligibility

Varies by state and program.

Amount Available

Varies by state and program.

Items Covered

Varies by state and program.

Terms

Varies by state and program.



https://help.zenefits.com/COVID-19_Resources/Small_Business_Loan_%26_Relief_Resources/State_Coronavirus_Small_Business_Assistance/

DEADLINE

Varies by state and program.

APPLICATION

Varies by state and program.