



WEEK IN REVIEW

with SKC & Co. CPAs

PPP LOAN FORGIVENESS

In new PPP forgiveness guidance, it has been stated that approved payroll costs will be forgiven, even without hitting the original 75% requirement and non-payroll costs are limited to 25% of the allowable payroll costs. Loan payments will also be deferred for six months. It is important to note that the unforgiven portion will be termed out, there is no expectation that the remaining money will need to be returned immediately.

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

NJDOL OFFER EXTENDS UNEMPLOYMENT BENEFITS

The New Jersey Department of Labor and Workforce Development (NJDOL) has started to notify workers who have exhausted their state unemployment benefits of a 13-week extension they may be eligible for under the federal Pandemic Emergency Unemployment Compensation (PEUC) program.

<https://www.njcpa.org/article/2020/05/19/njdol-offers-extended-unemployment-benefits>

EXTENSION OF TIMEFRAMES FOR CERTAIN EMPLOYEE BENEFITS

To minimize the chance that participants lose benefits coverage because they miss the usual deadlines during the COVID-19 pandemic, the Department of Labor and IRS require that plans ignore the "Outbreak Period" to determine if a participant has missed a deadline for the following:

- HIPAA Special Enrollment Rights
- COBRA elections and premium payments
- Notice to employer of COBRA qualifying event or disability and
- Claims procedures

The "Outbreak Period" has a beginning date of March 1, 2020 and has an end date 60 days after the announced official end of the COVID-19 pandemic. This will extend

the time participants have to act and employers should notify responsible representatives of the new deadlines.

<https://www.federalregister.gov/documents/2020/05/04/2020-09399/extension-of-certain-timeframes-for-employee-benefit-plans-participants-and-beneficiaries-affected>

IRS ECONOMIC PAYMENT GUIDANCE

On Wednesday, May 20th, the IRS issued updated guidance on stimulus payments regarding bank accounts and debit cards. Millions of Americans have already received their Economic Impact Payments authorized by the Coronavirus Aid, Relief, and Economic Security Act (CARES Act). The Internal Revenue Service (IRS) continues to calculate and automatically send the Payments to most eligible individuals, however some may have to provide additional information to the IRS to get their payments. See FAQ 45 and 46 for more details.

<https://www.irs.gov/coronavirus/economic-impact-payment-information-center#more>

NJDEA ANNOUNCES \$50 MILLION EXPANSION OF GRANT PROGRAM FOR BUSINESSES IMPACTED BY COVID-19

The New Jersey Economic Development Authority (NJEDA) announced on Friday, May 22nd, a \$50 million expansion of its Small Business Emergency Assistance Grant Program.

<https://www.njeda.com/covidgrantprogramexpansion>

THE ROAD BACK FOR NJ

Starting Friday, May 22nd, Governor Murphy is permitting some outdoor recreational areas and businesses to restart their operations. Gatherings of vehicles, such as drive-in movies or religious services, are allowed, as long as all participants remain in their cars. Non-essential retail stores are limited to curbside pickup, and all other businesses must follow appropriate mitigation requirements.

<https://covid19.nj.gov/faqs/nj-information/general-public/what-businesses-are-closed-what-is-considered-essential>

As always, feel free to reach out to the SKC team with any questions.

We are here to help you!

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