



New Laws in Response to the COVID-19 Outbreak

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Laws Passed

- 03/06/2020 – Coronavirus Preparedness and Response Supplemental Appropriations Act
- 03/18/2020 – Families First Coronavirus Response Act
- 03/27/2020 – Coronavirus Aid, Relief, and Economic Security (CARES) Act

Presentation Outline



SBA Economic Injury
Disaster Loan (EIDL)



SBA Paycheck
Protection
Program (PPP)



CARES
Unemployment
Benefits



Coronavirus Paid Sick
Leave



CARES Payroll Tax
Relief



Tax Recovery
Rebates



Public Charge

SBA Economic Injury Disaster Loan (EIDL)

- For small businesses with less than 500 employees:
 - Loans up to \$2 million
 - Fixed rate of 3.75% (2.75% for nonprofits)
 - Payable over 30 years
- \$10,000 advance
- No personal guaranty for loans less than \$200,000
- For more information:
 - <https://www.jonallaw.com/News-Detail/sba-loans-stimulus-approved-for-small-businesses/>

SBA Economic Injury Disaster Loan (EIDL)

- Use for:
 - working capital;
 - expenditures necessary to alleviate the specific economic injury;
 - payroll and paid COVID-19 sick leave;
 - costs to obtain materials unavailable from original supply chains;
 - rent or mortgage payments; and
 - obligations that cannot be met due to revenue losses.
- For more information (in Turkish):
 - <https://www.jonallaw.com/TR/Haberler-Detay/sba-kredileri-kucuk-isletmeler-icin-onaylanan-tesvik-paketi/>

SBA Paycheck Protection Program (PPP)

- For small businesses with less than 500 employees:
 - Loans up to 2.5 times average monthly payroll
 - Fixed rate 0.50%
 - Payable over 2 years
 - Deferred for 6 months
- No collateral or personal guaranty
- For more information:
 - <https://www.jonallaw.com/News-Detail/sba-loans-stimulus-approved-for-small-businesses/>

SBA Paycheck Protection Program (PPP)

- Use for:
 - payroll and payroll costs;
 - group healthcare benefits and health insurance premiums;
 - rent or interest on mortgage;
 - utilities; and
 - interest on any other debt obligations.
- Forgiveness for payroll, interest on mortgage, rent, and utilities.
- For more information (in Turkish):
 - <https://www.jonallaw.com/TR/Haberler-Detay/sba-kredileri-kucuk-isletmeler-icin-onaylanan-tesvik-paketi/>

CARES Unemployment Benefits

- Unable to work as result of COVID-19, including:
 - self-employed;
 - working part-time;
 - not sufficient work history for their state; or
 - not qualified for regular unemployment rules of their state.
- For more information:
 - <https://www.jonallaw.com/News-Detail/cares-act-unemployment-benefits/>

CARES Unemployment Benefits

- \$600 per week on top of state benefits until July 31, 2020
- Additional 13 weeks of eligibility for benefits
- No benefits to those:
 - teleworking with pay;
 - receiving Emergency Paid Sick Leave; or
 - receiving paid leave under an employer plan or state or local law.
- For more information (in Turkish):
 - <https://www.jonallaw.com/TR/Haberler-Detay/corona-ekonomi-paketi/>

Coronavirus Paid Sick Leave

- 80 hours of paid leave due to COVID-19
 - If employee affected, regular compensation (up to \$511 per day)
 - If dependent affected, 2/3 compensation (up to \$ 200 per day)
- 10-week paid leave extension if child's school was closed (2/3 comp.)
- Conditional exemption for employers with less than 25 employees
- Employer tax credits for paid sick leave payments
- For more information:
 - <https://www.jonallaw.com/News-Detail/regulasitons-figt-against-cronavirus/>
 - <https://www.jonallaw.com/TR/Haberler-Detay/coronavirusu-kucuk-isletmeler-hakkinda-duzenlemeler/>

CARES Payroll Tax Relief

- Employers and self-employed portion of the social security tax (6.2%) for 2020 deferred:
 - ½ by December 31, 2021
 - ½ by December 31, 2022
- More than 50 percent gross receipts loss in a quarter in 2020:
 - Employment tax credits of 50 percent of quarterly wages (up to \$5,000 per employee)
- For more information:
 - <https://www.jonallaw.com/News-Detail/tax-relief-employers-under-cares-act/>
 - <https://www.jonallaw.com/TR/Haberler-Detay/cares-yasasi-uyarinca-isverenler-vergi-yardimlari/>

Tax Recovery Rebates

- \$1,200 to taxpayer adults
 - Individuals - \$75,000/year
 - Married Filing Jointly - \$150,000/year
 - Head of Household - \$112,500/year
- \$500 to children under 17
- For more information:
 - <https://www.jonallaw.com/News-Detail/tax-recovery-rebates-charitable-donations-coronavirus-related-ira-distributions/>
 - <https://www.jonallaw.com/TR/Haberler-Detay/kurtarma-vergi-kredileri-yardim-bagislari-coronavirus-emeklilik-hesabi-dagilimleri/>



Questions & Answers

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