Public Policy Response to COVID-19

7a Loan Program

- SBA covers 6 months of loan payments
- Applies to new or existing SBA loans

Family Rebates (\$312b)

- Checks equal to \$1200/adult & \$500/child
- Phases out after \$75k/single & \$150k/married
- Based on 2019 return

You can get both!

Reduces Forgiveness

Increased UI Payments (\$260b)

- Standard UI plus \$600 per week for four months
- Extra 13 weeks of UI thru 12/31
- Funds to states to speed UI applications

Business Tax Cuts (\$246b)

- NOLs
- 163(j)
- Loss Limitation Rules
- QIP

Economic Injury Loans

- Processed by SBA
- Up to \$2 million
- Also \$10,000 grants

Can do both!

PP Loans (\$349b)

- Loans to Small Employers
- 100% Guaranteed
- Loans may be forgiven

Can't do both

Economic Stabilization (\$500b)

 Used for secured loans, loan guarantees, & investments to eligible businesses, states, and municipalities

Mandated Leave Credits (\$105b)

- Available to smaller businesses
- Employer portion of payroll tax
- Refundable

Can't do

Can't get

both

Employee Retention Credit (\$55b)

- Refundable payroll tax credit for 50% of wages up to \$10k/qtr
- Available to firms closed by virus
- Smaller firms get credit equal 50% of all wages

forgiven

<u>Delayed Payroll Tax Payments</u> (\$352b)

- · Employer share of payroll tax only
- Runs 3/27 to 12/31
- Two years to pay back



All three

payments

reduce payroll tax