



Should my business get any of the following stimulus packages under CARES or the Consolidated Appropriations Act?

What are the options?

PPP Round 1

- Can now be eligible even if you received PPP... This was not the case before
 - Can't double dip and take credit for wages that were paid for by PPP loans Round 1 or Round 2**
- Can go back and get ERC for 2020 if you had a 50% dip in quarterly revenue in 2020 or you were shut down due to government orders
 - 2020 credit is 50% of up to \$10,000 in wages, or a max of \$5,000, per employee for entire 2020 year
- Can be eligible for 2021 with a 20% dip in quarterly revenue when compared to 2019 or shut down due to government orders
 - A 4th quarter 2020 dip in revenue of 20% can make you eligible for 1st quarter of 2021-2021 credit is 70% of up to \$10,000 in wages per employee per quarter, or a max of \$28,000, through December 2021

Recent Trends:

- The American Rescue Plan Act has granted up to \$100,000 for recovery startup businesses. In order to qualify you must:
 - o Have begun operations after February 15th, 2020.
 - o Have average annual gross receipts less than \$1,000,000.
 - o Have 1 or more employees.
- The proposed Infrastructure Investment and Jobs Act would no longer be available for anyone other than a recovery startup business.
 - o The bill would shorten the lifespan of the ERC and terminate the credit on October 1, 2021.
- **Keep in mind you must use the same accounting method for tax purposes as you do for ERC calculation.**

continued

