

## COVID-19 Updates and Helpful Links

Until further notice - our building remains closed, but our entire firm is working remotely the same way and the same hours as we did in the office. The only difference is there are no paper drop-offs/ pick-ups – everything is through mail/ UPS/ client portal. We have made arrangements for packages to be accepted from the USPS/ delivery services at our loading dock. Please continue to send us your information.

Changes related to COVID-19 relief have been evolving daily and even hourly. We will keep you updated of relevant changes as they happen. Below are helpful links and updates for individuals and businesses:

### **Individual updates and links:**

- The IRS has officially extended the -filing- deadline from April 15, 2020 to July 15, 2020, and has removed the \$1MM individual/ \$10MM corporation tax deferral caps – in other words, the tax filing and payment deadline moved from April 15th to July 15th regardless of how much tax you owe and without any extension filing required. <https://www.irs.gov/pub/irs-drop/n-20-18.pdf> This automatic extension includes the Q1 estimated payment normally due April 15, 2020, which is now due July 15, 2020. There is currently no federal extension for the Q2 estimated payment due June 15, 2020, although there is discussion of extending.
  - This means that for individual tax returns, there is no April 15th, due date – the next due date is June 15th, for the Q2 estimated payment.
- Pennsylvania has extended the filing and payment deadline for 2019 personal income tax returns to July 15, 2020. The deadline to make Q1 and Q2 2020 Pennsylvania estimated quarterly payments is also extended to July 15, 2020. <https://www.media.pa.gov/Pages/Revenue-Details.aspx?newsid=307> Berkheimer and other localities are expected to follow.
- Many other states and localities are also providing relief on tax filings and payments. The AICPA has published a state tax chart, which is updated almost daily. If you file in other states, we are looking at this on your behalf. <https://www.aicpa.org/news/aicpa-coronavirus-resource-center.html>

### **Business updates and links:**

- In Philadelphia, Mayor Kenney announced at a news conference today that Philadelphia tax deadlines have been extended to match the federal July 15th deadline, including the BIRT and the NPT. See AICPA chart above for other state and local deadline extensions.

- The SBA is offering “Disaster assistance” loans, which also includes “economic injury.” There is a list of Eligible Disaster Areas which includes DE, MD, NJ, and PA (among other states) for COVID-19. These loans provide up to \$2MM to help businesses meet financial obligations and operating expenses that could have been met had the disaster not occurred. The interest rate for a small business will be 3.75%, with terms determined on a case-by-case basis. There is also a one-year deferral on payments, but interest accrues. <https://www.sba.gov/funding-programs/disaster-assistance>
- Pennsylvania funding – The Commonwealth Financing Authority (CFA) has authorized the transfer of \$40MM to the Pennsylvania Industrial Development Authority (PIDA). The CFA was established as an independent agency to administer Pennsylvania’s economic stimulus packages. The transferred funds will ultimately be combined with existing funds in PIDA’s Small Business First Program and will be used to provide zero-interest loans to small businesses. Loans of up to \$100,000 will be available to small businesses to use as working capital. In addition to a 0% interest rate, there will be no application fee and the terms will include no payments and no interest during the first year of the loan. Detailed guidelines for the program are still being developed.
- Keep open lines of communication with your bank/ lenders. Hope for the best but plan for the worst – make sure the business has a sufficient line of credit available if needed. Depending on the anticipated impact to the business, you may also want to discuss loan modifications such as interest only or adjusting the loan terms.
- Check with your insurance agent to understand what if any business interruption coverage you have that may apply.
- This article gives the details on the emergency family leave/ sick leave – what employers must provide. <https://www.forbes.com/sites/michaelstudenka/2020/03/19/time-to-hit-pause-what-employers-need-to-know-about-yesterdays-families-first-coronavirus-response-act/#368e77e711cb>
- There are payroll tax credits available that pay for 100% of the qualified emergency family leave/ sick leave wages. Keep in mind that this credit is only for employees that meet the specific criteria in the link above. Details can be found here: [https://www.journalofaccountancy.com/news/2020/mar/coronavirus-relief-bill-tax-credits-for-employers-23225.html?utm\\_source=mnl:cpald&utm\\_medium=email&utm\\_campaign=20Mar2020](https://www.journalofaccountancy.com/news/2020/mar/coronavirus-relief-bill-tax-credits-for-employers-23225.html?utm_source=mnl:cpald&utm_medium=email&utm_campaign=20Mar2020)
- Many law firms have online COVID-19 resource centers available with guidance on issues commonly encountered by employers. If you have specific questions on employment issues beyond the scope of what is covered in the resource centers, consult with your attorney.
- There are many areas that must be considered and planned for – this article linked from the AICPA COVID-19 Resource Center provides a list of 35 example questions to think about. <https://www.fm-magazine.com/news/2020/mar/coronavirus-business-planning-questions-23120.html>