

We have been seeking to deliver encouragement, hope, and support amid the uncertainty generated by the current pandemic. Accordingly, we want to equip you with information about a particular provision of the CARES Act that we believe may have an **immediate positive impact** on many of you and your loved ones who run businesses that may have been affected by this crisis.

The CARES Act is the \$2.2 trillion Coronavirus Aid, Relief, and Economic Security Act that was signed into law last Friday. It is the largest economic relief package in U.S. history. One of the key provisions of the CARES Act provides up to \$350 billion in funding for qualifying businesses and sole proprietorships in the form of **forgivable loans up to 2.5 times their average monthly payroll** to use toward payroll, rent, and utility costs.

If the proceeds of the loan are used for qualifying expenses, the loan converts into a federal-tax-free grant by the end of the year. In other words, **if used correctly, the money borrowed through this program is not due back and will not be taxed at the federal level** (taxation at the state level has yet to be determined).

Our tax and accounting team analyzed this legislation over the weekend to determine its applicability, and to connect you with resources to help you or anyone you know take advantage of this new program if needed. We cannot provide individualized tax or legal advice, however, so please seek your own counsel.

**Our research concluded that this program will have broad applicability to many businesses, including sole proprietorships and non-profits.** Therefore, we felt it was important to get this communication out to you as soon as possible to ensure that you and your loved ones can take advantage of it before it becomes overwhelmed with demand. We have included a helpful, authoritative guide on this program that our team discovered in their initial research.

Please click the link below to access the Coronavirus Emergency Loans Small Business Guide by the U.S. Chamber of Commerce for more details on qualifying for this provision.



[Coronavirus Emergency Loans Small Business Guide](#)

We hope that this information delivers a timely and practical benefit to you and your loved ones. If there is any way that we can serve you during this challenging time, please do not hesitate to reach out.