

Norwalk Business Service, Inc.

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*******Self Employed Unemployment and other Covid 19 Relief *******

Dear Client,

We hope you and your loved ones are staying healthy. There have been more updates related to receiving relief from the financial impact of this ongoing epidemic.

California Self Employed Unemployment. California has launched a new Pandemic Unemployment Assistance (PUA) program that will allow workers who are not usually able to qualify access to unemployment benefits. Self-employed workers and business owners are among the people who will be able to apply for unemployment even if they do not pay into unemployment insurance. **This means that all Real Estate Agents, Contractors, or individuals who receive 1099 income and file a schedule C should see if they qualify for these benefits.** Please visit EDD's Pandemic page to see if you qualify, if you have questions about the PUA program, or wish to enroll. There is no way to file a PUA claim as of this date. EDD will update their website when the program is finalized.

https://edd.ca.gov/about_edd/coronavirus-2019/pandemic-unemployment-assistance.htm

CARES Act stimulus check update. The IRS has launched a new website that will allow filers to update their payment and address information for the stimulus checks. This tool should be used by taxpayers who have a change of address, have not received a refund by direct deposit from the IRS in the last 2 years, or have a new account they wish the refund to go to. The tool is currently not working, but they promise it should be working by the middle of April.

There is also a tool for non-filers who are not dependents to register for the economic stimulus check. If you have questions about either tool, please visit the site below.

<https://www.irs.gov/coronavirus/economic-impact-payments>

Small Business Association Payroll Protection Loans (PPL) and Economic Injury Disaster Loans (EIDL) . We encourage all small business owners who have been adversely affected by the continuing pandemic to apply for these loans. Most small businesses will qualify for both loans. Many of our clients have been successful at applying for both of these loans.

PPL loans are forgivable loans that are designed to help businesses meet their payroll demands over through this crisis. The amount of the loan is your 2019 yearly payroll costs divided by 12 and multiplied 2.5 plus other payroll expenses plus health benefits paid plus retirement benefits paid. Any amounts paid to individuals over 100,000.00 a year will reduce this amount. Self-employed individuals also qualify for this loan protection. Wages paid for a self-employed person is net profit divided by 12 times 2.5. Payroll Protection Loans can be applied for at participating banks. Our advice is to fill out the application form to the best of your ability. The banks will ask you for supporting documentation with your application.

EIDL loans are another source of funds small businesses may apply for. Generally small businesses will be granted the emergency 10,000.00 forgivable loan. Any amount over that will be issued as a line of credit. You can apply for this loan at the link below:

<https://covid19relief.sba.gov/#/>

Estimated tax update. The IRS and the FTB has pushed back the due date of the second estimated tax payment until July 15th.

Stimulus check tax status. The IRS has issued guidance saying that the stimulus check will not be taxable next year.

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