



RICK BRAA, AMP Services

<u>rbraa@ampservices.com</u> 206.465.1010



- Payroll excluding federal employer taxes at least 60% of loan
 - Maximize ERC First!
 - Wages, Bonuses, Commissions, Hazard pay
 - State and local employer taxes
 - Benefits—healthcare, retirement, new: group life, group disability, dental and vision
 - Tips!!!
 - Stay big on the rest of the expenses, work with bank on stmt method
- 🖌 Rent





Mortgage Interest (loan documents show collateralization)

Interest payments on any debt obtained prior to 2/15/20

- Covered operations expense: payments for any business software or cloud computing service that facilitates:
 - business operations, product or service delivery
 - processing payment or tracking of payroll expenses, human resources, sales and billing functions
 - accounting or tracking of supplies, inventory, records and expenses

ŏ

Covered property damage costs not covered by insurance



Covered supplier costs

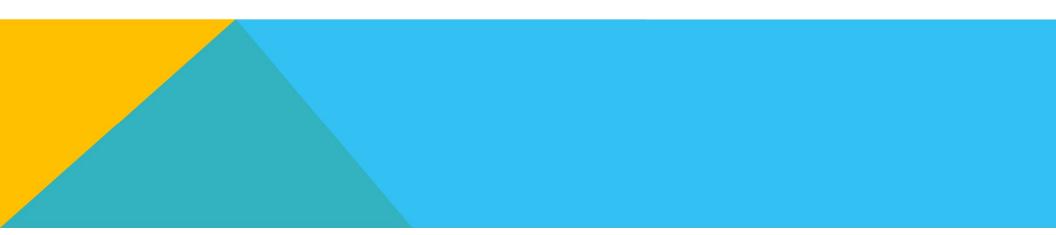
expenditures made by a borrower to a supplier of goods for the supply of goods that:

(A) are essential to the operations of the borrower at the time at which the expenditure is made $\underline{\text{AND}}$

(B) is made pursuant to a contract, order, or purchase order—

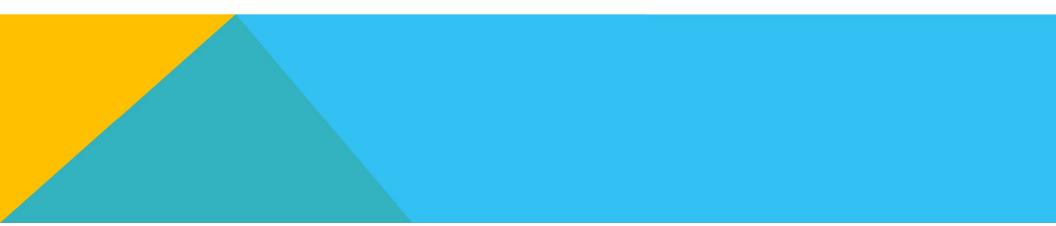
(i) in effect at any time before the covered period with respect to the applicable covered loan; **or**

(ii) with respect to perishable goods, in effect before or at any time during the covered period with respect to the applicable covered loan



Covered worker protection expenditures

- Operating or capital expenditures to facilitate the adaptation of the business activities of an entity to comply with requirements of Department of Health, CDC, OSHA, State or local government beginning 3/1/20 to meet standards of sanitation, social distancing, or any other worker or customer safety requirement related to COVID-19
 - purchase, maintenance, or renovation of assets that create or expand:
 - drive-through window facility
 - indoor, outdoor, or combined air or air pressure ventilation or filtration system
 - physical barrier such as a sneeze guard
 - expansion of additional indoor, outdoor, or combined business space
 - onsite or offsite health screening capability
 - other assets relating to the compliance with the requirements or guidance described



RULES AROUND OWNER INCOME



S-Corps and C-Corps

- <5% Owners treated as any other employee
- >5% Owners limited to \$20,833 (salary*2.5/12)



Partnerships

Owners limited to lesser of 2.5/12*K-1 SE earnings*.9235 or \$20,833



LLCs follow the tax filing structure

ADDITIONAL BENEFITS OF PPP



Expenditures that are forgiven are not taxable



5-year term with one-year deferral







THANK YOU!

