

Coronavirus Aid, Relief and Economic Security (CARES) Act Additional Business Tax Benefits

Retention Tax Credit:

Increased Benefit: Employers, including non-profits, are eligible for a 50 percent refundable payroll tax credit on wages (including health benefits) paid up to \$10,000 during the crisis.

Eligibility:

- All Employers:
 1. that have experienced a 51% of more reduction in quarterly receipts; or
 2. 100 employees or fewer
- More than 100 Employees: Employers who have retained employees on the payroll that are not currently working due to the crisis.

Delay of Payment for Payroll Taxes:

Increased Benefit: Employers can defer paying its portion of social security payroll taxes for its employees through the end of 2020.

- Deferral is not provided to employers that avail themselves of SBA 7(a) loan designated for payroll.

Payment of taxes: All 2020 deferred amounts are due in two installments - one at the end of 2021, and the other at the end of 2020.

Net Operating Losses (NOLs)

Increased Benefit: Businesses can take NOLs earned in 2018, 2019, or 2020 and carry back those losses five years.

- Eighty percent rule is suspended so companies may use NOLs they possess to fully offset their taxable income.