



## ECONOMIC RESOURCES FOR ROWAN COUNTY

COVID-19 has brought dramatic changes to our community in a very short time. [Rowan County Tourism](#), [Rowan EDC](#) and the [Rowan County Chamber of Commerce](#) have come together in hopes to provide guidance and resources for our workforce and employers throughout Rowan County to respond to the challenges of COVID-19.

### CARES ACT SUMMARY

Detailed below is a summary of various programs and provisions in the CARE Act legislation that will provide resources to workers, individuals, businesses and organizations in Rowan County. At the conclusion of the summary is a graphic that shows how the entire legislation will appropriate funds across many different areas.

### INDIVIDUALS

#### *Relief for Workers Affected by Coronavirus Act in Rowan County*

- Rowan County workers laid off or had hours reduced due to COVID-19 will qualify for: [Emergency Increase in Unemployment Compensation Benefits](#) with no waiting period
- Rowan County workers who are self employed and who have lost work due to COVID-19 will qualify for: **Pandemic Unemployment Assistance**.
- Rowan County workers who were unemployed before COVID-19 will receive **Pandemic Emergency Unemployment Compensation**, which includes an additional 13 weeks of unemployment benefits through December 31, 2020.
- Rowan County citizens will be eligible for **Recovery checks** of \$1,200 for individuals with adjusted gross income up to \$75,000 or \$112,500 for head of household filing status. All couples, with adjusted gross income up to \$150,000 who file a joint return, are eligible for \$2,400. Those amounts increase by \$500 for every child.
  - The IRS will base these amounts on the taxpayer's 2019 tax return if filed, but if the taxpayer has not yet filed, the rebate will be based on the taxpayer's 2018 filed return. The rebate amount is reduced by \$5 for each \$100 a taxpayer's income that exceeds the phase-out threshold. The amount is completely phased-out for single filers with incomes over \$99,000, \$136,500 for head of household filers, and \$198,000 for joint filers. [Recovery check FAQs](#)
- Rowan County citizens are encouraged to continue giving to charitable organizations with an **Allowance of partial above the line deduction for charitable contributions**. The provision encourages Americans to contribute to churches and charitable organizations in 2020 by permitting them to deduct up to \$300 of cash contributions, whether they itemize their deductions or not. The

provision increases the limitations on deductions for charitable contributions by individuals who itemize, as well as corporations. For individuals, the 50-percent of adjusted gross income limitation is suspended for 2020. For corporations, the 10-percent limitation is increased to 25 percent of taxable income. This provision also increases the limitation on deductions for contributions of food inventory from 15 percent to 25 percent.

## SMALL BUSINESS

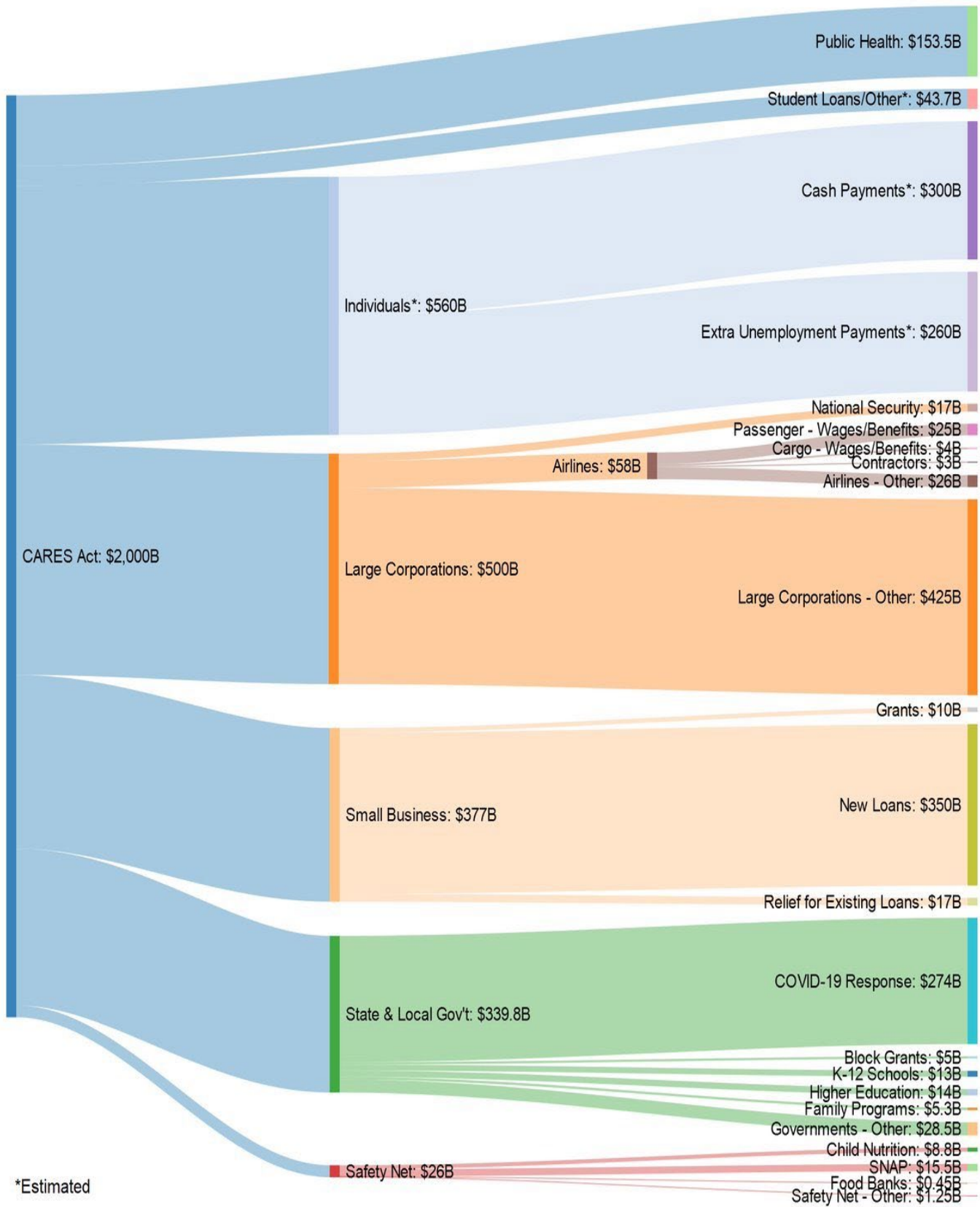
### *Relief for Businesses Affected by Coronavirus Act in Rowan County*

[More details are available from the Small Business Administration](#)

- Rowan County businesses can take part in the **Paycheck Protection Program**, which:
  - Increases the government guarantee of loans made for the Payment Protection Program under section 7(a) of the Small Business Act to 100 percent through December 31, 2020.
  - Provides the authority for the Administrator of the U.S. Small Business Administration (SBA) to make loans under the Paycheck Protection Program.
  - Defines eligibility for loans as a small business, nonprofit, or veteran's organization with 500 employees or less, or the applicable size standard for the industry as provided by SBA.
  - Includes sole-proprietors, independent contractors, and other self-employed individuals as eligible for loans.
  - Allow businesses with more than one physical location and employs no more than 500 employees per physical location in certain industries to be eligible.
  - Waives affiliation rules for businesses in the hospitality and restaurant industries, franchises who are approved on the SBA's Franchise Directory, and small businesses who receive financing through the Small Business Investment Company (SBIC) program.
  - Allowable uses of the loan include payroll support, such as employee salaries, as paid sick or medical leave, insurance premiums, mortgage payments, and any other debt obligations.
  - Waives both borrower and lender fees for participation in the Paycheck Protection Program.
  - Rowan County businesses who are Small Business Development Centers and Women's Businesses Centers are eligible for additional financial awards.
  - Establishes the authority of the U.S. Department of Treasury, the Farm Credit Administration, and other federal financial regulatory agencies to authorize bank and nonbank lenders to participate in loans made under the Paycheck Protection Program and establishes that the SBA will administer the program, including purchasing and guaranteeing loans, with guidance from Treasury.
  - And more, [learn more from the Small Business Administration](#)
- Rowan County businesses will be eligible for **Loan Forgiveness**, which establishes that the borrower shall be eligible for loan forgiveness equal to the amount spent by the borrower during an 8-week period after the origination date of the loan on payroll costs, interest payment on any mortgage incurred prior to February 15, 2020, payment of rent on any lease in force prior to February 15, 2020, and payment on any utility for which service began before February 15, 2020.
- Rowan County minority business centers will be able to participate in **Minority Business Development Agency**, which authorizes \$10 million for the Minority Business Development Agency within the Department of Commerce to provide grants to Minority Business Centers for the

purpose of providing counseling, training, and education on federal resources and business response to COVID-19 for small businesses.

- Rowan County federal contractors will be protected, and the Federal government is required to continue to pay small business contractors and revise delivery schedules, holding small contractors harmless for being unable to perform a contract due to COVID-19 caused interruptions until September 2021.
- Rowan County startups, cooperatives, and ESOPs with fewer than 500 employees or any individual operating as a sole proprietor or an independent contractor to apply for **Emergency EIDL Grants**.
- Rowan County businesses may qualify for **subsidy for certain loan payments**: existing 7(a) (including Community Advantage), 504, and microloan product.
- SBA is required to establish regulations no later than 15 days after enactment of this Act.
- Rowan County businesses can **delay payment of employer payroll taxes**: The provision allows employers and self-employed individuals to defer payment of the employer share of the Social Security tax they otherwise are responsible for paying to the federal government with respect to their employees. Employers generally are responsible for paying a 6.2-percent Social Security tax on employee wages. The provision requires that the deferred employment tax be paid over the following two years, with half of the amount required to be paid by December 31, 2021 and the other half by December 31, 2022. The Social Security Trust Funds will be held harmless.
- Rowan County businesses can apply for **modifications for net operating losses**: the provision relaxes the limitations on a company's use of losses. NOLs are currently subject to a taxable income limitation, and they cannot be carried back to reduce income in a prior tax year. This provision provides that a loss from 2018, 2019, or 2020 can be carried back five years. The provision also temporarily removes the taxable income limitation to allow an NOL to fully offset income. These changes will allow companies to utilize losses and amend prior years returns, which will provide critical cash flow and liquidity during the COVID-19 emergency.
- Rowan County employers may be eligible for an **employee retention credit**, equal to 50% of up to \$10,000 in qualified wages (including properly allocable qualified health plan expenses) paid per employee, during the COVID-19 crisis by eligible employers.
  - Eligible employers are those employers whose (1) operations were fully or partially suspended, due to shut-down orders related to COVID-19, or (2) gross receipts declined by more than 50 percent when compared to the same quarter in the prior year.
  - Qualified wages and wages paid by eligible employers with greater than 100 full-time employees paid to employees when they are not providing services for the period that the employer qualifies as an eligible employer, as defined above.
  - Qualified wages paid by eligible employers with 100 or fewer full-time employees are the wages paid to all employees, whether the employee is providing services or not, for the period that the employer qualifies as an eligible employer, as defined above. This credit is available through December 31, 2020. This credit is not available to employers with Small Business Interruption Loans.



\*Estimated