

FREDERICK INNOVATIVE TECHNOLOGY CENTER FUNDING AND PEOPLE – SUMMARY

FITCI has compiled a list of online resources (**Strictly related to funding and people**) we believe will be helpful for you all during this time:

Relief for Taxpayers Affected by Ongoing COVID19 Pandemic- The President issued an emergency declaration to provide relief from tax deadlines for Americans. **This postpones federal income tax payments (originally April 15, 2020) to July 15, 2020.** The postponed amount for consolidated groups or for each corporation that does not join in filing a consolidated return is \$10m, and for individuals is \$1m regardless of filing status (joint, single, etc).

For more detailed information see the attached document “Treasury Tax delay regulations (002)”

Penfed Emergency Access to Capital Resource List- A great resource that is continually updated for information on capital resources during this time. **A webinar with detailed, easy information will be recorded and added to this list if it hasn't been at the time you read this email.** <https://veip.penfedfoundation.org/emergency-access/>

Maryland Business Express- Maryland's State website/portal has daily updates regarding businesses in Maryland. Governor Hogan has submitted an application for SBA assistance, which was approved for all Maryland counties for **emergency SBA assistance**. This is an extremely useful one-stop shop for all SBA funding-related information (including Employer and Worker Assistance), etc. which will likely be updated by the time you read this email. A link to Wednesday's informational seminar can be found on this page.

Find the portal here: <https://businessexpress.maryland.gov/coronavirus>

SBA Express Loans and Coronavirus: Financial Update- State governments and members of Congress are taking action to increase the ability and amount of SBA loans for small businesses affected by COVID19. Governor Hogan has applied for MD to be covered in the Economic Injury Disaster Loan Program, and was approved this afternoon, March 19. **Economic Injury Disaster Loans** are given in amounts up to \$2m with interest rates set at 3.75% currently. The approval process takes 14-21 days, with a 5 day wait time for funds to be dispersed. There is current legislation to increase SBA funding (outside of the disaster fund) in SBA 7(a) loans and SBA 7 (a) Express Loans. Borrowers may also be able to apply for SBA Express Bridge Loan Pilot Program that allows the SBA to give loans up to \$25k for small businesses in designated disaster areas.

Find more information and links to all the appropriate loan programs here: <https://www.sbaexpress.loans/blog/coronavirus-and-sba-express-loans-update>

FREDERICK INNOVATIVE TECHNOLOGY CENTER FUNDING AND PEOPLE – SUMMARY

For more detailed information on the SBA express loans, visit: <https://www.fundera.com/business-loans/guides/sba-express-loan>

FDIC Regulatory Relief- The FDIC is working with financial institutions to take steps to assist customers and communities affected by COVID-19. Any financial institution's efforts to modify terms on existing loans for affected customers will not be subject to examiner criticism. They will work with them to reduce the burden that will result from this, the challenges in regulatory reporting resulting from this, and will act expeditiously if institutions need to temporarily close.

More frequently updated, detailed information for consumers can be found on the FDIC's COVID-19 webpage here: <https://www.fdic.gov/coronavirus/index.html>

Flybridge's (VC) Advice to their Startup CEOs- 1) Hope for the best, **plan for the worst**, 2) Start your 2020 budget over and cut costs now, 3) Open communication and overcommunicate during this time of crisis, 4) Take advantage of the opportunity to be nimble during this time, 5) be prepared for employees to come in contact or catch COVID-19 and think through your procedures before this happens.

For more explanation of the advice, read here: <https://medium.com/@flybridge/flybridge-advice-to-our-ceos-and-founders-in-light-of-covid-19-c0a0102234d>

Amanda Haddaway of **HR Answerbox, a FITCI Business Resource Partner**, shared her webinar from last Friday discussing: 1) Considerations for protecting employee health and safety, 2) How to plan for the impacts to your business, 3) Policies to consider implementing before a crisis, 4) How to best communicate with your employees during and after the crisis. The content lasts about 30 minutes and is followed by a Q&A with live participants. This is a great, easily digestible resource she has provided - Stay tuned for additional webinars from her.

You can find a link to her webinar here: https://zoom.us/rec/share/zvZkD-_76j9JfaPnr0jFA7cgQtvjT6a8hiQf_PsLykpLAn60UN1wmw7HmLGNghRc

Retaining Staff During the Crisis- A new bill provides reimbursement to the employer for paid sick wages (up to 10 days, 80 hours) at a max of \$511 a day with an aggregate of \$5,110. These sick wages are paid at 100% and can be used to care for someone symptomatic or if they themselves are symptomatic. The bill provides paid leave to the employee in case they need to take care of a child for up to 10 weeks at 2/3 pay, up to \$200 per day, however the first 2 weeks (10 days) are unpaid or can be overlapped with existing PTO or sick wages the company offers. These are both refundable tax credits,

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FUNDING AND PEOPLE – SUMMARY**

so you offset your social security taxes (12.4% of payroll wages). Overage should be refunded each quarter to the business by the IRS, which will mean a lag period.

ATTACHMENT:

Part III - Administrative, Procedural, and Miscellaneous

Relief for Taxpayers Affected by Ongoing Coronavirus Disease 2019 Pandemic

Notice 2020-17

I. PURPOSE

On March 13, 2020, the President of the United States issued an emergency declaration under the Robert T. Stafford Disaster Relief and Emergency Assistance Act in response to the ongoing Coronavirus Disease 2019 (COVID-19) pandemic (Emergency Declaration). The Emergency Declaration instructed the Secretary of the Treasury “to provide relief from tax deadlines to Americans who have been adversely affected by the COVID-19 emergency, as appropriate, pursuant to 26 U.S.C. 7508A(a).” Pursuant to the Emergency Declaration, this notice provides relief under section 7508A(a) of the Internal Revenue Code for the persons described in section III of this notice that the Secretary of the Treasury has determined to be affected by the COVID-19 emergency.

II. BACKGROUND

Section 7508A provides the Secretary of the Treasury or his delegate (Secretary) with authority to postpone the time for performing certain acts under the internal revenue laws for a taxpayer determined by the Secretary to be affected by a Federally declared disaster as defined in section 165(i)(5)(A). Pursuant to section 7508A(a), a

period of up to one year may be disregarded in determining whether the performance of certain acts is timely under the internal revenue laws.

III. GRANT OF RELIEF

The Secretary has determined that any person with a Federal income tax payment due April 15, 2020, is affected by the COVID-19 emergency for purposes of the relief described in this section III (Affected Taxpayer).

For an Affected Taxpayer, the due date for making Federal income tax payments due April 15, 2020, in an aggregate amount up to the Applicable Postponed Payment Amount, is postponed to July 15, 2020. The Applicable Postponed Payment Amount is up to \$10,000,000 for each consolidated group (as defined in §1.1502-1) or for each C corporation that does not join in filing a consolidated return. For all other Affected Taxpayers, the Applicable Postponed Payment Amount is up to \$1,000,000 regardless of filing status. For example, the Applicable Postponed Payment Amount is the same for a single individual and for married individuals filing a joint return. In both instances the Applicable Postponed Payment Amount is up to \$1,000,000.

The relief provided in this section III is available solely with respect to Federal income tax payments (including payments of tax on self-employment income) due on April 15, 2020, in respect of an Affected Taxpayer's 2019 taxable year, and Federal estimated income tax payments (including payments of tax on self-employment income) due on April 15, 2020, for an Affected Taxpayer's 2020 taxable year. The Applicable Postponed Payment Amounts described in this section III include, in the aggregate, all

payments described in the preceding sentence due on April 15, 2020 for such Affected Taxpayers.

No extension is provided in this notice for the payment or deposit of any other type of Federal tax, or for the filing of any tax return or information return.

As a result of the postponement of the due date for making Federal income tax payments up to the Applicable Postponed Payment Amount from April 15, 2020, to July 15, 2020, the period beginning on April 15, 2020, and ending on July 15, 2020, will be disregarded in the calculation of any interest, penalty, or addition to tax for failure to pay the Federal income taxes postponed by this notice. Interest, penalties, and additions to tax with respect to such postponed Federal income tax payments will begin to accrue on July 16, 2020. In addition, interest, penalties and additions to tax will accrue, without any suspension or deferral, on the amount of any Federal income tax payments in excess of the Applicable Postponed Payment Amount due but not paid by an Affected Taxpayer on April 15, 2020.

Affected Taxpayers subject to penalties or additions to tax despite the relief granted by this section III may seek reasonable cause relief under section 6651 for a failure to pay tax or seek a waiver to a penalty under section 6654 for a failure by an individual or certain trusts and estates to pay estimated income tax, as applicable. Similar relief with respect to estimated tax payments is not available for corporate taxpayers or tax-exempt organizations under section 6655.

IV. DRAFTING INFORMATION

The principal author of this notice is Jennifer Auchterlonie of the Office of Associate Chief Counsel, Procedure and Administration. For further information regarding this notice, you may call (202) 317-3400 (not a toll-free call).