



CARES Act Update and Tax Implications

With:

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Our Panelists



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Moderator

Agenda

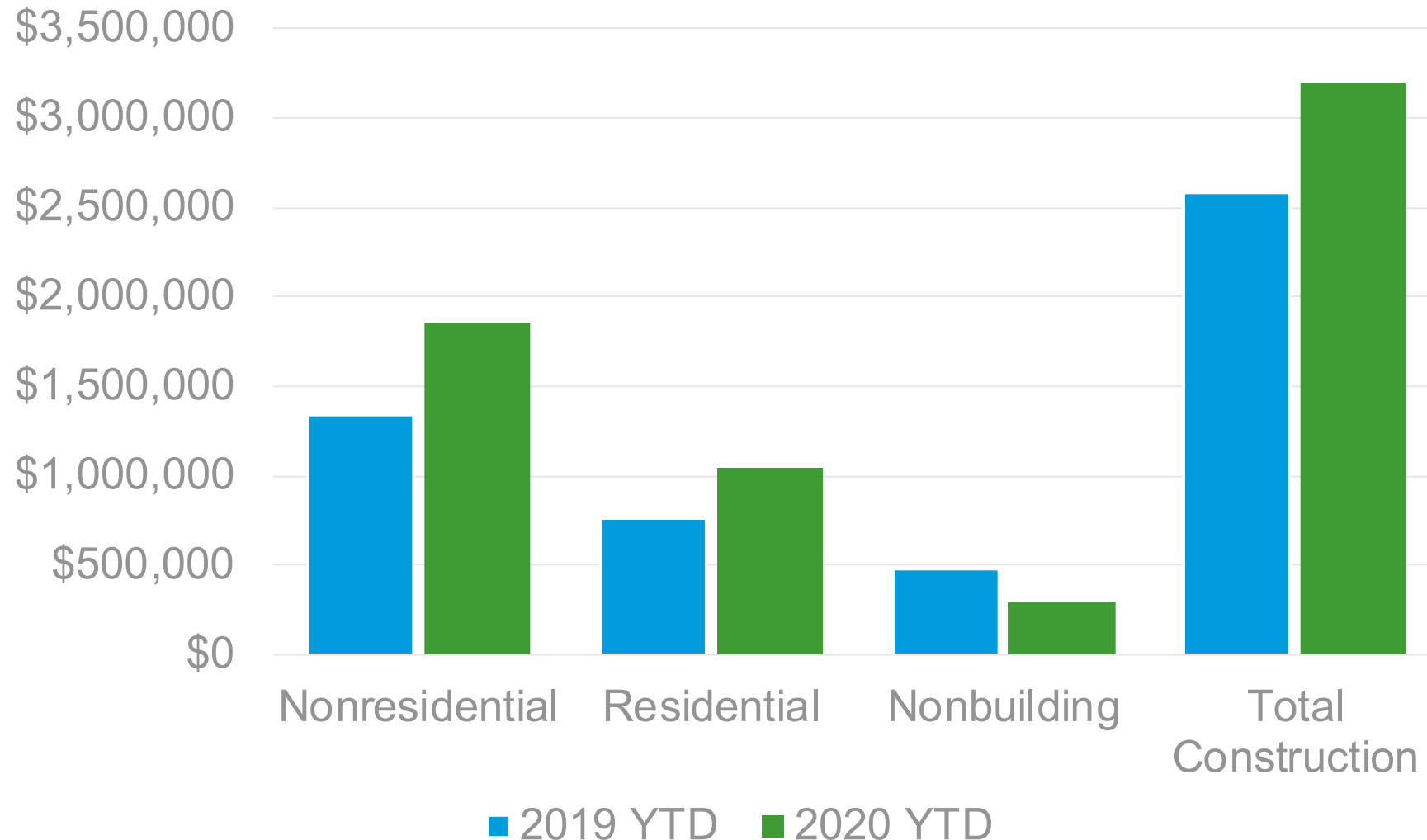
- Industry
- Policy and legislation
 - Families First Act
 - CARES Act
- Liquidity
- Tax Matters



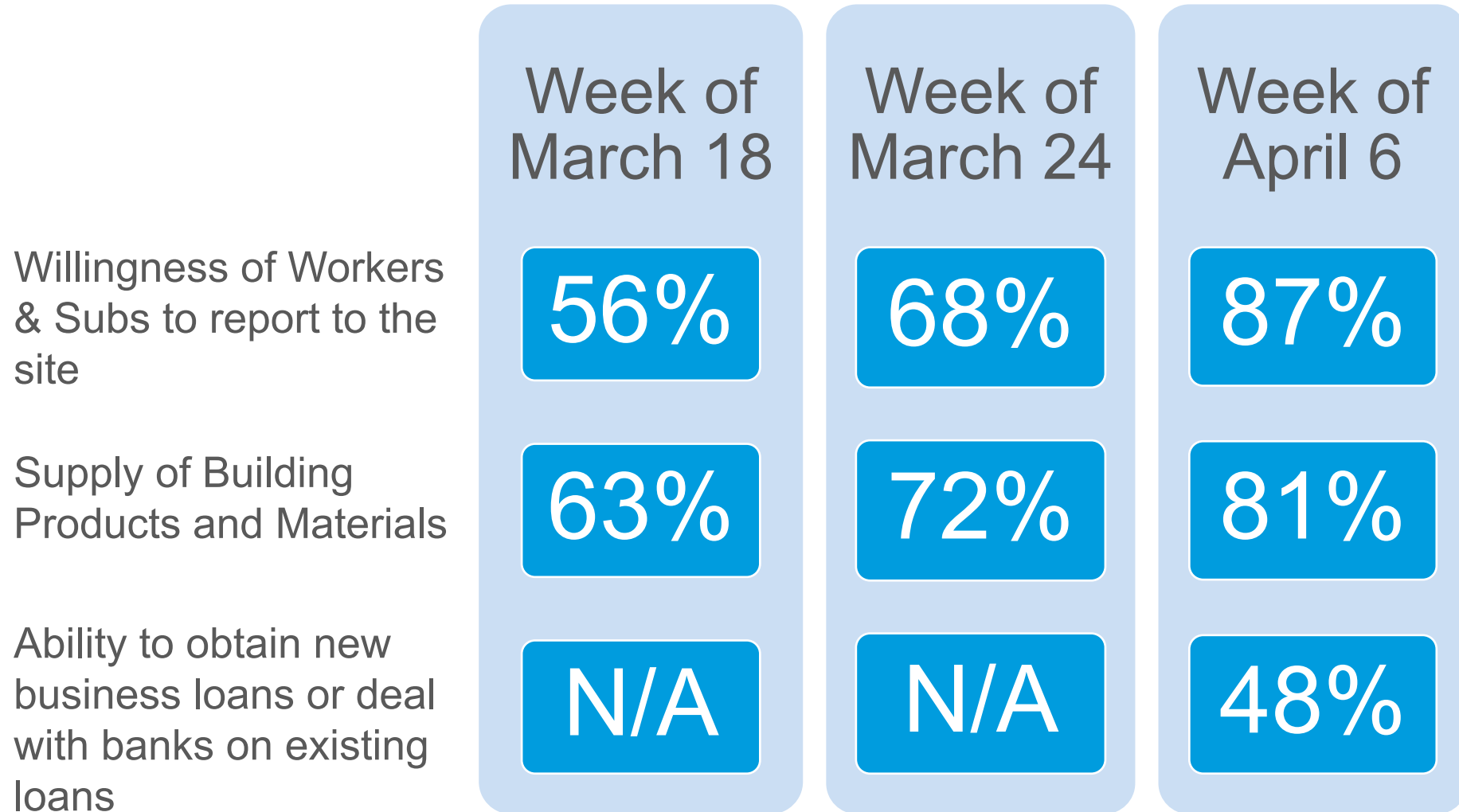
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INDUSTRY

Massachusetts Construction Activity was up 24%



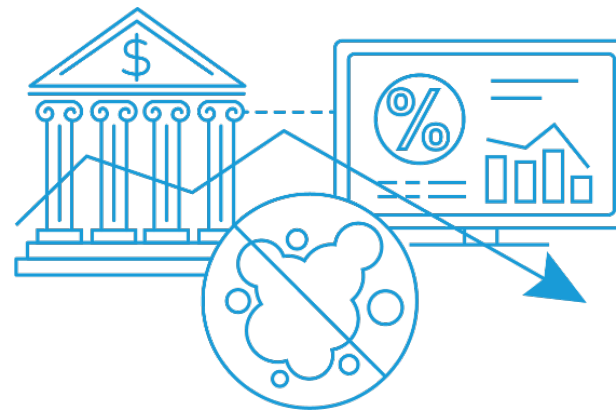
How COVID-19 is Impacting the Job Site – Northeast



POLICY AND LEGISLATION

Legislative and regulatory response to COVID-19

- Families First Coronavirus Response Act and Qualified Sick and Qualified Family Medical Leave Act
- Coronavirus Aid, Relief, and Economic Security (CARES) Act
- Making payroll tax credits available
- Tax regulations: enabling cash flows with tax payments (extensions, estimates and filings)



LIQUIDITY

Coronavirus Aid, Relief and Economic Security (CARES) Act

- Increases access to loans for small and middle market businesses
- Three programs
 - Small Business Administration (SBA) Economic Injury and Disaster Loan Program (EIDL)
 - Paycheck Protection Program (PPP) third-party loans with SBA guarantees
 - Main Street Lending Program loans for small and mid-sized businesses



TAX MATTERS

CARES Act and other tax matters

- Key tax provisions & developments
 - July 15 is the new April 15
 - Employee retention credit
 - Delay of payment of employer payroll taxes
 - Net operating losses (2018-2020)
 - Excess business loss
 - 163(j) interest limitations
 - Qualified improvement property
 - Rebates for individuals
 - Special use of retirement distributions up to \$100k



Questions and Answers



We are in this together

Most importantly, in this time of crisis, keep yourself, your family and your community safe. We are in this together. Please feel free to reach out with any questions that you have.



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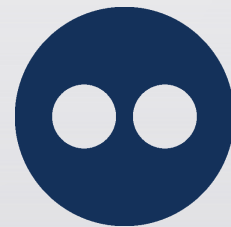
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Thank you for joining us.

If you have any remaining questions, please send your inquiry to questions@abcma.org and we will respond to you as soon as we can.

Get online with us:

www.abcma.org



@ABCMASS

HOW CAN RSM HELP?

RSM is positioned to rapidly identify and operationalize a COVID-19 response program to mitigate impact in the near term and prepare for an accelerated recovery moving forward. Our breadth of services and collaborative organizational structure across functional domains and industries enables us to provide the skills, expertise and methodology necessary to position your business for success.

INITIAL STABILIZATION

Adapting to the rapidly changing environment and adjusting operations to the new normal.

Steps we take:

1. Organize a war-room to provide a decision making platform and directional clarity for all functions
2. IT enablement of a large scale transition to a remote workforce
3. Ensure workplace safety during short-term environment changes
4. Validate proper cyber security – you are at a higher risk for intrusion and data loss during a crisis
5. Provide guidance on scheduling, workforce adjustments, while meeting regulatory (e.g. FMLA) obligations

SHORT TERM

Analyze changes in demand and supply profiles to assess options for maximizing cash flow.

LONG TERM

Reposition the company back into the marketplace for future growth and market share gains.

Steps we take:

Perform what-if scenario modeling to enable management to make best decisions to maximize revenue and manage costs	Monitor changes in customer buying behaviors and align operational strategy to project demands.	Identify long term productivity and cost savings programs through process improvement frameworks
Implement processes and tools to manage productivity of the workforce – whether remote, onsite or hybrid	Identify lender and creditor obligations, lines of credit and assist with renegotiation	Perform sensitivity analysis to stress test business recovery scenarios.
Identify and implement immediate cost take-out initiatives (CapEx, OpEx, Hiring freeze, labor scheduling and furloughs, etc.)	Manage tax implications, incentives and economic relief opportunities	Plan for and quantify impacts of phased labor reduction strategies and subsequent recruitment and re-hiring initiatives

Additional resources

- [Coronavirus resource center](#)
- [Coronavirus tax relief resource center](#)
- Webcast video series: [Insights During Uncertainty](#)

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