



CCK clients and friends,

President Donald Trump signed the Consolidated Appropriations Act, 2021 into law on Sunday. The COVID-19 relief package is tied to a \$1.4 trillion resolution to fund the government through September 2021.

Key Provisions of the COVID-19 relief package:

- Provides financial relief for individuals, who earn \$75,000 or less annually, and married couples, who earn \$150,000 or less, to receive a direct payment of \$600 and \$1,200, respectively. Families will receive an additional \$600 for each qualifying child (The House of Representatives passed a bill Monday night, December 28, to increase the payment from \$600 to \$2000; however, said bill needs to pass the Senate then onto our President for signature. There is no guarantee that the bill pass, but it is on the horizon.)
- Adds \$300 to extended weekly unemployment benefits
- Provides more than \$300 billion in aid for small businesses
- Ensures tax deductibility for business expenses paid with forgiven PPP loans
- Provides new PPP funding as detailed below
- Temporarily allows 100% deduction for business meals provided by a restaurant
- The bill also extends the employee retention tax credit and extends a number of tax deductions, credits and incentives that are set to expire on December 31, 2020

“PPP2”

Both first time borrowers and previous PPP borrowers are eligible for the second round of PPP loans.

Previous PPP borrowers may apply provided they:

- Have 300 or fewer employees
- Have used or will use the full amount of their first PPP loan
- Can show a 25% gross revenue decline in any 2020 quarter compared with the same quarter in 2019

First-time borrowers may apply provided they:

- Have 500 or fewer employees that are eligible for SBA 7(a) loans
- Sole proprietors, independent contractors, and eligible self-employed individuals
- Not-for-profits, including churches
- Accommodation and food services operations (those with North American Industry Classification System (NAICS) codes starting with 72) with fewer than 300 employees per physical location

PPP2 also makes the forgivable loans available to Sec. 501(c)(6) business leagues, such as chambers of commerce, visitors' bureaus, etc., and “destination marketing organizations” (as defined in the act).

The bill allows borrowers that returned all or part of a previous PPP loan to reapply for the maximum amount available to them.

As with previous COVID related updates, we will continue to provide additional insight as it becomes available. For more information, go to www.cckcpa.com, or call your CCK Strategies advisor at 918-491-4036 or 469-562-4036.

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