

# CARES Act

Coronavirus Aid, Relief and Economic Security Act

## Help in the Time of Trouble

Psalm 37:39 - But the salvation of the righteous is of the LORD: he is their strength in the time of trouble

# Help for Individuals

- **Unemployment**

- Increase to unemployment benefits (extra **\$600** per week)
- Extension to unemployment benefits (from 26 weeks to **39 weeks**)
- *For Illinois ONLY*
  1. File an unemployment claim
  2. Create a profile on Illinois Jobs Link web site
  3. Every **MONDAY** certify for the following weeks unemployment benefits

- **Mortgage & Rent Payments**

- National Freeze on **ALL** Foreclosures and Evictions
- Freeze on mortgage payments for up to 6 months
  - Request the deferment in writing with mortgage servicer

# Help for Individuals

- **Stimulus Payments**

- **\$1,200** singles, **\$2,400** joint taxpayers, **\$500** per dependent
- Payment in weeks if the 2019 tax return was filed, with Direct Deposit
- Payment in months if no tax returns (Direct Deposit web site in 3 weeks)
- SSN recipients **DO NOT** need to file a tax return

- **Utility Bills**

- National Executive Order prevents utilities from shutting off service
- Contact your utility company in writing

# Help for Individuals

- **Credit Card Payments**

- Most major vendors are allowing deferred payments
- Contact your creditor in writing
- Request credit limit increase, no late fees, no neg. credit reporting

- **401K Early Withdrawals**

- The CARES Act has waived the 10% early withdrawal fee (up to \$100K)
- Increase to the retirement loan amount from **\$50K** to **\$100K**

# Help for Individuals

- **Car Notes**

- Contact your lender and request the maximum deferment period
- Request no late fees
- Request no negative credit reporting
- Request no loan backfilling

# Help for Businesses & Ind. Contractors

- **Cash Flow Challenge**

1. Paycheck Protection Program

1. Forgivable loan of **250%** of **avg. monthly payroll costs**
  - % used to retain employees forgivable

2. Economic Injury Disaster Loan

1. Forgivable Loan Advance **\$10,000.00**
  - Totally **100%** forgivable
2. Up to **\$2 million**

3. SBA Express Bridge Loans

1. \$25,000.00 from **existing** SBA Express Lender relationship
2. Paid in full or in part by **EIDL** loan *see #2 above*

# Help for Businesses & Ind. Contractors

- **Cash Flow Challenge *cont.***

1. SBA Debt Relief

- SBA pays principal, interest & fees of **current** 7(a), 504 and microloans for **6 months**)
- SBA pays principal, interest & fees of **new** 7(a), 504 issued prior to **9/27/2020**)
- Loan payment deferments of SBA Disaster Loans in **regular service** prior to COVID-19

- **Existing Business Loans**

- Request the maximum payment deferment
  - No interest accruals
  - No negative credit reporting

# Help for Businesses & Ind. Contractors

- **Business Credit Cards and Lines of Credit**
  - Request the maximum payment deferment
    - No interest accruals
    - No negative credit reporting