



RESOURCES & ASSISTANCE FOR SMALL BUSINESSES

Dear MPSA Members,

Thank you for all you do in helping people across Massachusetts manage the many challenges associated with the COVID-19 pandemic. These next few weeks may be very tough. Below is a compiled overview of government assistance available for small businesses along with links and additional resources. The information is intended to be a starting place, and we hope that it is useful.

U.S. SMALL BUSINESS ADMINISTRATION (SBA) LOANS & GRANTS

1. [Economic Injury Disaster Loans \(EIDL\)](#): Loans up to \$2 million, with interest up to 3.75% for small businesses and 2.75% for private non-profits, and long-term repayments up to 30 years. Principal and interest deferment is available for up to 4 years.
2. [EIDL Advance](#): An advance of \$10,000 for those who apply for an EIDL. This is a grant, not a loan, distributed to eligible businesses within 3 days of applying for an EIDL.
3. [Paycheck Protection Program \(PPP\)](#): Zero-fee loans up to \$10 million with the possibility of deferment for up to a year. Up to 8 weeks of average payroll and other costs will be forgiven if the business retains its employees and their salary levels.
4. [Express Bridge Loans](#): These loans allow small businesses who currently have a relationship with an SBA Express Lender to quickly access up to \$25,000.
5. [Debt Relief](#): Under this program, the SBA will cover all loan payments for 6 months for certain existing and new borrowers. This will not apply to PPP loans.
6. [Small Business Recovery Loan Fund](#): Earlier in March, Governor Baker announced a \$10 million loan fund to provide small businesses with loans up to \$75,000 – **but the fund is no longer accepting applications due to the federal loans now available.**

TAX RELIEF

1. [State Tax Deferment](#): For small businesses, sales, meals, and room occupancy taxes originally due in March, April, and May will instead be due on **June 20**.
2. [Income Tax Deferment](#): The deadline for filing state and federal income taxes has been pushed back to **July 15**.

3. **Federal Payroll Tax Deferment:** Eligible employers may defer paying the employer portions of federal payroll taxes for 2020. All 2020 deferred amounts would be due in 2 equal installments on December 31, 2021 and 2022. Those who receive a PPP loan will not be eligible for this deferment.
4. **Employee Retention Tax Credit:** Employers will receive a refundable tax credit for 50% of each eligible employee's first \$10,000 in wages and compensation, through 2020. Eligible employers include those whose operations have been fully or partially suspended or those who have experienced a 50% reduction in quarterly receipts compared to last year. Employers with 100 or fewer employees will receive this credit for the wages of all employees. Employers with over 100 employees will receive the credit only for the wages of furloughed employees. Those who receive a PPP loan will not be eligible for this credit.

UNEMPLOYMENT FOR SELF-EMPLOYED INDIVIDUALS

1. **Expanded Unemployment Eligibility:** Under the federal CARES Act, self-employed individuals, independent contractors, and those paid by 1099s are now eligible for unemployment benefits. The law also adds \$600 to all weekly benefit amounts and extends the duration of benefits up to 39 weeks.
 2. **Disaster Unemployment Assistance:** President Trump's disaster declaration for Massachusetts on March 28 may make Disaster Unemployment Assistance available, for which self-employed individuals would be eligible. We are still awaiting explicit approval.
- **NOTE:** you must apply through the State for all unemployment benefits. For the above programs, the State is awaiting implementation guidance from the federal government. If you are currently ineligible for unemployment benefits but may become eligible once these programs take effect, you are asked to wait to apply until further instruction is provided. Updates will be [available here](#).

LAYOFF AVERSION

1. **Rapid Response Team:** This Massachusetts program works with businesses to identify their needs and connect them with appropriate resources to avoid layoffs. For the Merrimack Valley, the program is based out of the MassHire Merrimack Valley Career Center (contact: Norca Disla-Shannon, 978-722-7013).
2. **WorkShare Program:** This State program is an alternative to layoffs during an economic downturn – it allows employers to reduce employees' hours and give them partial unemployment benefits to supplement their lower wages.

PAID LEAVE REIMBURSEMENT

1. [Tax Credits](#): The federal Families First Act requires employers to provide their employees with up to 2 weeks of COVID-19 paid sick leave and up to 10 weeks of paid family leave to care for a child whose school is closed due to COVID-19. The law requires the federal government to provide employers with dollar-for-dollar refundable tax credits to offset the cost of these paid leave programs.

COUNSELING

1. [Local Counseling Services](#): Businesses may find helpful free or low-cost counseling and training through a [Small Business Development Center](#), a [Women's Business Center](#), or a [SCORE mentorship chapter](#).

ADDITIONAL COVID-19 RESOURCES

- [U.S. Chamber of Commerce](#)
- [U.S. Small Business Administration](#)
- [Commonwealth of Massachusetts](#)
- [U.S. Senator Ed Markey's Small Business Owner's Guide](#)

Please continue to operate safely, support other local retailers and restaurants and know that better times are ahead.

Respectfully,



Rob Mellion
Executive Director | General Counsel