

*Enhancing Trust*

# The CARES Act – Key Impacts on Churches and Nonprofits

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## Today's Presenters



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## “Paycheck Protection Program” Loans/Grants

*Nonprofit organizations should consider all available types of relief available to them in addition to considering a Payroll Protection Program loan. Some types of aid/relief/loans are incompatible with obtaining a Payroll Protection Program loan or forgiveness of such a loan.*



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### Paycheck Protection Program Maximum Loan Amount Step-By-Step Illustration (Note: Illustration would be different for a seasonal employer)

Step 1:	Determine the organization's total annual payroll costs as described in the outline for the applicable one-year period for the loan	\$3,614,800
Step 2:	Reduce the amount determined in Step 1 by compensation of individual employees in excess of an annual salary of \$100,000	( 58,000)
Step 3:	Subtract the amount determined in Step 2 from the amount determined in Step 1	<u>\$3,556,800</u>



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## Paycheck Protection Program Maximum Loan Amount Step-By-Step Illustration (Note: Illustration would be different for a seasonal employer)

Step 4:	
Divide the amount determined in Step 3 by 12 to arrive at average monthly payroll costs	<u>\$ 296,400</u>
Step 5:	
Multiply the amount determined in Step 4 times 2.5 to determine the maximum loan amount	<u>\$ 741,000</u>

Note: Maximum loan amount is limited to the lower of the amount determined in Step 5 or \$10,000,000



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## Expanded Unemployment Benefits




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**Deferral of Payment of Employer's  
Share of Social Security Taxes**


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**Employee Retention Credit for Employers  
Subject to Closure or Substantial Revenue Loss**


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**Above-the-Line Charitable  
Contribution Deduction**

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**Charitable Contribution Deduction  
Limits Increased**


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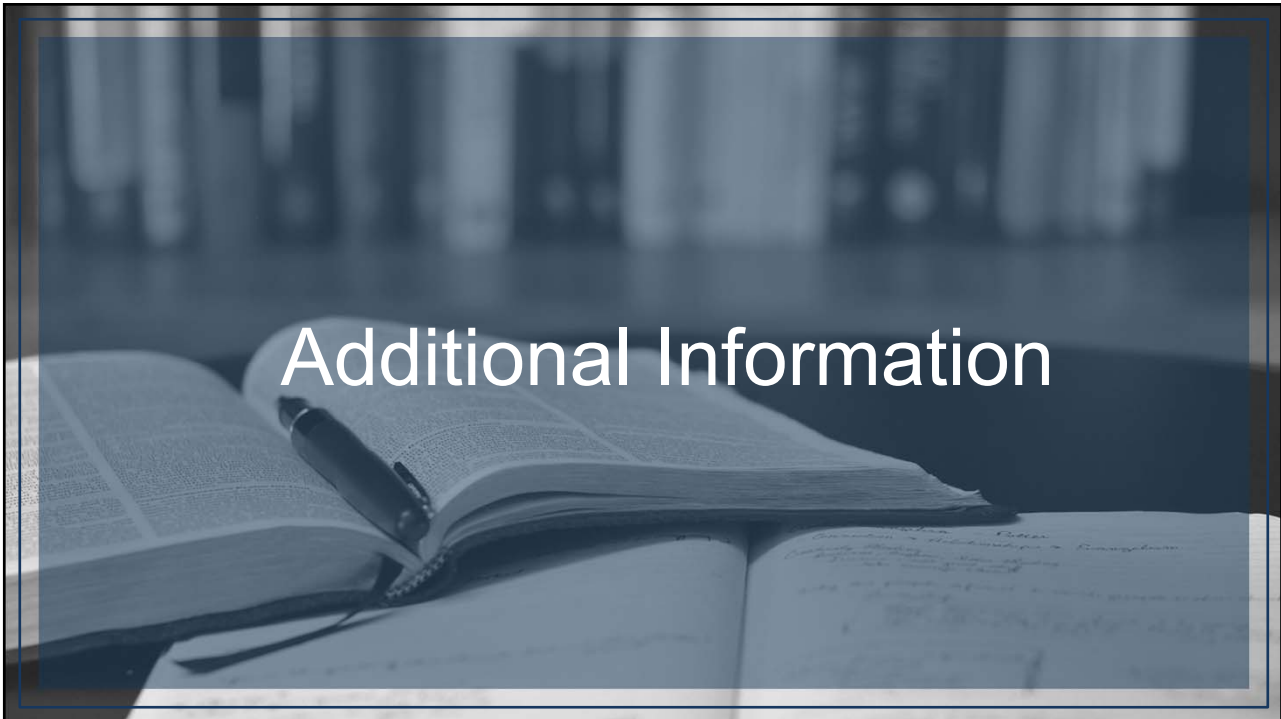
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Changes to Paid Leave and  
Emergency FMLA Leave


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## ECFA'S UPCOMING WEBINARS

**ECFA WEBINAR**

### Legal and Risk Management Strategies for Churches and Nonprofits in the COVID-19 Crisis

**APRIL 7, 2020**  
**1:00 PM ET**

Speakers: Stuart Lark & John Wylie



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