

This important CARES Act Updates is courtesy of [Your Part-Time Controller, LLC](#)

Your Part-Time Controller is dedicated to helping nonprofits anywhere STAY AFLOAT during the financial crisis caused by the coronavirus pandemic. Visit their website for important links, resources, and webinars: <https://www.yptc.com/staying-afloat/>

CARES Act Expansion/Paycheck Protection Program Loans

What You Need to Know

1. The President has signed another round of coronavirus-legislation that, among other things, replenishes both the Economic Injury Disaster Loan (EIDL) and the Paycheck Protection Program Loan (PPPL) funding. The bill appropriates over \$300B in additional funds for the PPPL program.
2. In response to the additional funding, some banks are currently accepting PPP loan applications for both existing and new customers.

What You Need to Do

1. If your organization already has applied for a PPP Loan and has not received approval, contact the lender to whom you applied to confirm next steps. **Continue to communicate regularly with the lender** to ensure that they have everything they need for approval. If you need to find a new lender because this lender is not participating in the PPP Loan program, see below.
2. If you have not applied yet and wish to, talk to your banker as well as do some homework (talk to Board members, [peers](#) and others) regarding which bank/lender will be best for your organization.
3. Find a Lender for PPP Loans: <https://www.sba.gov/paycheckprotection/find>
4. PPP Loans are issued on a first-come, first-serve basis, so act quickly!
5. Visit the SBA Website for the Borrower Application and other information on the PPP Loan program: <https://www.sba.gov/funding-programs/loans/coronavirus-relief-options>
6. Read the latest FAQ on the PPP Loan program: <https://home.treasury.gov/system/files/136/Paycheck-Protection-Program-Frequently-Asked-Questions.pdf>
7. If you are a YPTC client, talk to your YPTC representative.

FFCRA and CARES Act Tax Credits and Deferrals

What You Need to Know

1. In addition to loan and grant options, many nonprofits are eligible for tax credits and deferrals under the Families First Coronavirus Response Act (FFCRA) and Coronavirus Aid, Relief, and Economic Security Act (CARES Act).
2. IMPORTANT: Last week, in regard to social security tax deferrals (6.2%) the IRS issued FAQ to clarify that employers who receive a Paycheck Protection Program (PPP) Loan

may utilize the payroll tax deferral *through the date* the lender issues a decision to forgive all or a portion of the PPP loan.

What You Need to Do

1. Talk to your accountants, auditors, tax preparers and payroll companies and determine which tax credits and deferrals are appropriate for your organization. Your payroll provider will need to be notified which options you choose.
2. For the FAQ, visit the IRS site:
<https://www.irs.gov/newsroom/deferral-of-employment-tax-deposits-and-payments-through-december-31-2020>
3. If you are a YPTC client, talk to your YPTC representative about how they can help your organization track and report on the tax credits and deferrals that are used.

PPP Loans: Forgiveness, Accounting, Tracking and Reporting

What You Need to Know

1. As PPP funds are being spent, you will need to CAREFULLY track them.
2. The SBA has yet to issue clarifying guidance on how organizations should calculate loan forgiveness, and we are hoping to see guidance early next week.

What You Need to Do

1. Attend our YPTC Webinar for Staying Afloat: PPP Loans: Forgiveness, Accounting, Tracking and Reporting presented on Friday, May 1 at 1pm EDT: [Click to Register](#)
2. If you are a YPTC client, talk to your YPTC representative.

Form 990 Series Extension

What You Need to Know

1. The IRS has granted an automatic two-month extension to file Form 990 series returns (Form 990, Form 990-PF, and Form 990-T) to tax-exempt organizations.
2. Calendar year forms are now due on or before July 15, 2020. Entities can use Form 8868 *Application for Extension of Time to File an Exempt Organization Return* to request an additional extension of time to file (to November 15, 2020).
3. Taxes owed with Form 990-PF or 990-T are due at the time of filing an extension (July 15).

What You Need to Do

1. For more information, see IRS Notice 2020-23:
<https://www.irs.gov/pub/irs-drop/n-20-23.pdf>
2. Discuss this with your auditors and/or tax preparers, and confirm dates and appropriate extensions to file.