

CARES Act Payroll and Debt-Obligation Synopsis

Section 1102

- Churches are not excluded
- Can apply for assistance up to 2.5 times their monthly average expenses for previous 12 months (total assistance amount cannot exceed \$10 million), prior to application date. Expenses include:
 - Employee Salaries (including Employer-paid health care benefits; Employer-paid retirement benefits; Employer-paid state and local payroll taxes. This includes gross payroll for all Salaried and Hourly employees.)
 - Mortgage Payments
 - Rent (including rent under a lease agreement)
 - Utilities
 - Any other debt obligations that were incurred before the covered period (including, copier lease payments, pest control, telephone, janitorial, etc.)
- Loans can qualify for forgiveness (i.e. grant) if the Employer does not layoff any employees or reduce employee workforce between March 1, 2020 and June 30, 2020 (Should there be layoffs or dismissals, a formula will be used to calculate what amount will be considered as a loan and that amount will be subject to repayment with a 4% interest rate)

(Over)

- There will be no collateral requirements or recourse to Churches or individuals unless funds are used for an unauthorized purpose
- Salary amounts for each employee in excess of \$100,000.00 are excluded
- Federal payroll taxes are excluded
- Compensation for employees whose principal residence is outside of the USA is excluded
- Emergency sick leave or emergency family leave payments that qualify for a credit under Families First Coronavirus Response Act, is excluded