



**FUBA**  
FLORIDA UNITED BUSINESSES ASSOCIATION

# ISSUES

OUR BUSINESS IS SMALL BUSINESS

APRIL 2020

Volume XXX, No. 4

## **WHAT EMPLOYERS NEED TO KNOW ABOUT THEIR BUSINESS & COVID-19**

The situation surrounding COVID-19 is changing every day, but FUBA is working hard to keep you updated on how it impacts your business. We have detailed summaries of new laws as well as a list of resources on our website at **FUBA.org**.

This situation is changing rapidly, so the best way to get up-to-date information from us to sign up for our e-alerts. If you haven't been receiving our emails, you can sign up for our e-alerts on our website at **FUBA.org**.

As this newsletter went to press, Congress was about to approve a new law that will provide a new loan program for small businesses that can be forgiven in certain circumstances. The new law also increases the amount and duration of unemployment benefits for laid-off employees. To receive a summary of that legislation via email from us, please sign up for our e-alerts at **FUBA.org**.

**Florida Small Business Emergency Bridge Loan Program:** Small businesses with fewer than 100 employees that are affected by COVID-19 can apply for an emergency bridge loan from the State of Florida. Loans are up to \$50,000 (and up to \$100,000 in special circumstances) and are interest-free for up to one year. The Florida Department of Economic Opportunity (DEO) administers these loans and will work with every borrower to ensure that repayment of the

loan isn't an overwhelming burden. To be eligible, a business must have been established prior to March 9, 2020, and demonstrate economic impacts as a result of COVID-19. The application period ends May 8, 2020. Businesses can apply at **floridasbdc.org/disaster/ebi/**.

**United States Small Business Administration Disaster Loan Assistance:** The US Small Business Administration's (SBA) low-interest Economic Injury Disaster Loans (EIDLs) are now available to small businesses affected by the loss of revenue due to the Coronavirus that are unable to pay ordinary operating expenses. These loans are intended to provide working capital to help small businesses until normal operations resume.

For more information or to apply for an EIDL loan, contact the SBA at **www.sba.gov/disaster**. You can call the SBA's Customer Service Center at 800-659-2955 or email them at **disastercustomerservice@sba.gov**.

**New Paid Leave Requirement for Employees Affected by COVID-19:** Starting April 2, 2020, there are 2 new types of paid leave small businesses will have to give their employees. The first is emergency paid sick leave which is 10 days' paid leave if an employee meets one of 6 criteria relating to COVID-19. You cannot require employees to take accrued PTO prior to

giving them these 10 days of paid leave.

The second kind of leave is emergency medical leave and is 12 weeks of paid leave. Employees can only qualify for this leave if they are unable to work because their minor child's school or childcare is closed.

We are hopeful that the US Department of Labor will give some relief to very small businesses from having to pay for this leave, but that hasn't happened yet. Most small businesses will not have the cash flow in this uncertain time to pay for this leave, so we are hoping that the federal government exempts small businesses from having to pay for this leave.

There is a dollar-for-dollar tax credit for employers who do provide this paid leave. Employers can claim this tax credit against their next payroll tax deposit. More information about this new leave and its specific requirements, as well as information about the tax credit, is on our website at **FUBA.org**.

**If My Business Closes, Do I Still Have to Pay My Employees?** If you close your business, you are not obligated to continue paying your employees. But you will have to give paid leave to any employee who still works for you on April 2, 2020. Employers cannot terminate employees to get out of paying for this leave. If you have to lay employees off or close your business, make sure to document layoffs and closures so you can show that the layoffs/closure were due to the economic viability of the keeping the business open instead of trying to avoid paying for this leave.

### **Laid-Off Employees Should Apply for Unemployment Compensation.**

Small businesses who have had to lay employees off due to because of COVID-19 should advise their employees to apply for unemployment compensation (also called 'reemployment assistance'). In Florida, laid-off

employees can get up to \$275 a week for up to 12 weeks.

The new law from Congress increases this amount and expands who can file for unemployment benefits (i.e., independent contractors). Laid-off employees can file for unemployment benefits here: **[floridajobs.org/Reemployment-Assistance-Service-Center/reemployment-assistance/claimants/apply-for-benefits](https://floridajobs.org/Reemployment-Assistance-Service-Center/reemployment-assistance/claimants/apply-for-benefits)**.

### **New Poster Required**

The new paid leave law requires all employers to provide a notice/poster to their employees explaining the new paid time off that they may be eligible for as a result of COVID-19. That poster is enclosed with this newsletter. Please post it along with your other posters we have previously sent to you.

### **Tax Filing Deadlines Extended:**

Federal income tax: The IRS has extended the tax filing deadline for individuals and businesses to file and pay their income taxes to July 15, 2019.

State sales tax: For businesses adversely affected by COVID-19, the Florida Department of Revenue has extended the deadline to pay their March sales tax until April 30<sup>th</sup>. Businesses not adversely affected by the COVID-19 outbreak are still required to pay their sales tax collected in March on or before April 20<sup>th</sup>.

Sales tax is typically due on the first day of the month after you collect it and is late after the 20<sup>th</sup> of the month.

A business is considered 'adversely affected' if they closed in March 2020 to comply with a state or local government order in response to the COVID-19 outbreak and had no taxable transactions, or if the business had sales tax collections in March 2020 that are less than 75% of March 2019 sales tax collection, or if the business was established after March 2019.