



## Covid-19 Resources

### FAQs – April 7, 2020

Getting you the answers to the many questions related to Covid-19 and its impact to you is our first priority.

Things are changing very quickly, and we seem to have little time to analyze updates before new and sometimes contradictory information becomes available. Please know that we are working as hard and fast as we can to understand all that is taking place and going to the source for the answers – not just the latest opinion offered in an email blast. Sometimes what you hear on the news or in webinars are just highlights, but the details matter and often that is what we need to digest. Our goal is to get you answers and information that is in **your** best interest and not get waylaid with distractions.

To keep you informed of the changing environment, we intend to send an update to you in the form of FAQs. This may be as frequently as daily but most definitely as often as will be useful to you.

#### **Q – How do I get all the payroll data needed for the PPP loan?**

**Answer:** Most of the larger payroll companies (Gusto, ADP, Paychex) are writing or have written reports designed to give you what they think you need; however, we do not recommend using these reports as they may not include everything you need and could limit your loan amount. Instead, we recommend you download or print the following reports directly from the payroll company:

- Quarterly Form 941s
- Quarterly Forms 5208 (must be page 1 that shows the tax paid (This is Quarterly Unemployment Insurance Tax Summary)
- Payroll Summary Report showing each payroll for every employee for 2019
- Forms W-2 and W-3

In addition, you will need a report showing total payments for health insurance and retirement plan contributions paid by the employer. Some banks are taking reports from QuickBooks while others require actual invoices or funding schedules.

#### **Q – Where is my \$10,000 EIDL loan/grant advance?**

**Answer:** A recent bulletin from the SBA Massachusetts District Office indicated that the EIDL Loan advances will start to be distributed this week. Furthermore, the bulletin indicates that the advance will now be limited to \$1,000 per employee up to the \$10,000 maximum. So, many applicants will likely see a lower amount than originally anticipated. A copy of the bulletin can be found [here](#).

### **Q – Should I file a loan application for each of my entities?**

**Answer:** In most cases, a borrower will be considered together with its affiliates for purposes of determining eligibility for the PPP loan. Under SBA rules, entities may be considered affiliates based on factors including stock ownership, overlapping management, and identity of interest. As an example, if your partnership is owned by two S-Corporations (owned and managed by each doctor) all three entities are affiliated and therefore should apply under one application and include payroll data from all three entities. We recommend that you check with your banker and see if they will allow one application as we think the SBA has intended. Filing separate applications may not be an issue since most practices are under the 500-employee threshold and only if owner compensation is not counted twice on the applications, but there is a chance the SBA may deny multiple applications based on this rule.

### **Q – Do I still need to file my City and or State B&O tax Return?**

**Answer:** You may request an extension for your March and or quarterly B&O taxes by submitting a request to the Washington State Department of Revenue (DOR) via their website. Many cities are providing extensions as well (as of this writing Everett is not offering this). If Dental Group LLC prepares your B&O filings, we will automatically do this for you.

**Dental Group, LLC** - We will be working both in the office and remotely in the coming weeks. Our meetings will be done via teleconference and or online collaboration. If you plan to drop off tax documents, please call ahead to coordinate a time when we will be in the office as there is no safe place to leave documents at the door.

Our focus in the coming weeks will be on finishing tax returns such that if a refund is due to you, we can get that as quickly as possible; we are of course continuing to monitor developments so that we can be a resource to you in making decisions relative to your practice and personal finances.

If you have any questions, please do not hesitate to contact us directly at (425) 216-1612.