



The Paycheck Protection Program (PPP) [portal from the SBA](#) is supposed to go live tonight/tomorrow at some point.

At this stage we have sent out prior email communications discussing gathering certain information for the process once it goes live.

That information can be found [here](#) and [here](#) as previously discussed.

When the PPP goes live tomorrow, you will have to fill out certain information about your business in an effort to apply for a loan with the SBA. At the moment, it is believed that once you apply for this PPP loan and use it to pay your payroll for the next 2.5mos, the loan may be forgiven. The loan forgiveness is going to be based on your subsequent payroll reporting.

At the minimum, we advise all of our clients that own a business to review the PPP program and apply for this loan. We believe the cost of the loan for one month (if it is not forgiven) may allow you to breathe and assess your strategy over the next 6-9 months, without having to make irrational quick decisions.

Note this **MAY have an interest component** to add to your current cost structure. At the moment this is not projected to be a free loan to you; however, we feel under these circumstances, our clients should consider the program and the cost associated with it. We believe, from a business perspective, the cost of the capital for maybe one to two months to buy you some time, is truly worth it to assess what you are looking to do long term. **If you receive funds from this program, we ADVISE YOU AGAINST IRRATIONAL SPENDING OF THIS MONEY. This is supposed to be a life line, not a Vegas vacation (nothing against Vegas, other than social distancing at the moment!).**

If you have not gathered your information, please review the prior two emails (links above), so you can gather your information for the application.

Keep in mind here:

- 1-You and **millions of other business** will be trying this portal tomorrow/over the weekend when it goes live.
- 2-You will most likely need a few hours to access and complete this process.
- 3-You should take your time to answer the questions to the best of your ability.
- 4-If you should make an honest mistake, you can always correct it later and/or pay back your loan sooner than later, if needed.
- 5-Have your payroll reports for the past few months ready and available.
 - i. One of the items to make sure you review is what is included in the “base” loan computation. For those of you that have used “asset loans” in the past (think accounts receivable/inventory lending), you have a base that computes the amount you can borrow. The definition of “Payroll” is all over the place on websites – does it include gross payroll, net payroll, does it include medical insurance the COMPANY pays for, 401k benefits the COMPANY pays for, etc. **Be sure to read and understand the fine print.**

ii. Is your current rent & utilities going to be applicable?

1. Is paying rent to a related party going to be applicable?

6-Remember that you are applying through the **SBA.gov site or your bank directly, do NOT USE ANY THIRD-PARTY LINKS.**

7-While going through this process, be cognizant of “save” feature in the process, again this will most likely **take you longer to do than you anticipate**, it also may be slow and frustrating. TAKE YOUR TIME, CLOSE YOUR DOOR AND DO THIS. **BE PATIENT HERE.**

8-Tomorrow is probably NOT the time to call your banker for help.

9-I am also anticipating we too will be overloaded with calls/emails/questions on what to do, how to do it, what something means, etc. If we begin to get inundated with questions/comments, we will update an informal Q+A page at <https://langallan CPA.com/covid-19resources/>

a. If you have not done so already, I suggest you review the SBA page to see what information you may need to gather for this process.

Unrelated to this SBA process, if you have parents that do not have to file a tax return due to below income requirements, please remind them NOT to tell anyone/confirm on a phone call their social security or Medicare id /bank account number in order to collect their Coronavirus stimulus check. The Treasury department has updated their stance, that seniors will not have to do anything different (at the moment) to receive their check, the stimulus will be connected to their social security bank account information. The IRS and/or Treasury department will NOT CALL YOU TO INITIATE COMMUNICATION with you (or your parents for that matter). Unfortunately, the scam artists have already started. **Remind your parents, so they are not a victim of this.**

If you get through all of this tomorrow, congrats, you deserve a cold drink of your preference on Friday night! I will be in the office Saturday morning; we are still deemed essential! Our intent is to get clients taxes done as the information comes in. Anyone that is in a position of owing money – there is not a RUSH now to get anything else done by April 15. We will assess what states have NOT followed the federal dates and let you know if you owe any additional state taxes by April 15. At the moment, California, Colorado, New York, New Jersey, Maryland, Illinois have followed suit.

If your return has been uploaded to the portal, PLEASE note, whereas the tax due date has been moved to July 15, some of the letters for the FEDERAL may still say April 15. Please note, this was due to the date the returns were printed and before our tax software was updated for the changes. If you already mailed your payment/filed your return, not worries. However, we are not reprinting the returns to change the dates. New returns printed will have updated dates.

Also note your 2nd quarter estimated taxes are still due (currently) June 15, before your 1st quarter estimate is due on July 15. This is NOT a typo.

We appreciate your business and your comments. We look forward to assisting you through this process and years to come.

If you received this email in duplicate, I apologize, you are in our data base then as an owner of multiple companies and/or individually as well.

-Adam

In lieu of the recent Corona virus, effectively immediately we are hereby cancelling all in person meetings and appointments through the end of tax season. We can reschedule a conference call with you as needed. We will be following the CDC's guidance on when it is safe to resume face to face meetings.

If you need to share documents with us, please upload them to your portal. We will be notified when documents have been uploaded.

In addition, we may (at times) be working remotely and there may be a delay in response to your emails/voice mails.

We appreciate your patience during these unprecedented times, together, we will get through this.

Adam Allan, CPA
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[Schedule an appointment with me](#)

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Any accounting, business or tax advice contained in this communication, including attachments and enclosures, is not intended as a thorough, in-depth analysis of specific issues, nor a substitute for a formal opinion, nor is it sufficient to avoid tax-related penalties. If desired, Lang Allan & Company, CPAs PC would be pleased to perform the requisite research and provide you with a detailed written analysis. Such an engagement may be the subject of a separate engagement letter that would define the scope and limits of the desired consultation services.

Sincerely,

A handwritten signature in black ink, appearing to read 'AA', is written over the word 'Sincerely,'.

Adam Allan, CPA

