

CARES ACT

The Coronavirus Aid, Relief, and Economic Security (CARES) Act is a \$2 Trillion stimulus package providing relief for individuals and businesses that have been negatively impacted by COVID-19. The Package includes:

- **Direct Payments** to Americans who filed taxes for 2018 and/or 2019. Individuals will receive a one-time direct deposit of \$1,200 per adult or \$2,400 for married couples filing jointly, and an additional \$500 per child. The amount of the checks would start to phase-out for those earning more than \$75,000 (\$150,000 for joint returns and \$112,500 for heads of household). For more information visit the [IRS website](#).
- An **additional \$600/week in unemployment** (through July 31), and temporary expansion of unemployment benefits for self-employed, part-time and gig workers and expansion of the list of allowable criteria for claiming unemployment compensation related to COVID-19 (through December 31). Californians can apply for unemployment benefits online on the [California Employment Development Department website](#).
- **Emergency loans, grants, and credits to help small businesses & non-profits** to stay in business and keep their employees on payroll. For more information visit the [Small Business Administration website](#) and review this [Small Business Guide](#).
 - \$350B in forgivable loans
 - \$10B in emergency assistance grants
 - Next 6 months of existing SBA loan payments covered
- **Delay of the employer's portion of the 2020 payroll taxes payment** until 2021 and 2022. For more information visit the [IRS website](#).
- **Use of Retirement Funds**. For more information visit the [IRS website](#).
 - Waiver of the 10% early retirement withdrawal penalty for distributions up to \$100,000 for COVID-19 purposes, retroactive to Jan. 1
 - Increase 401(k) loan amount from \$50,000 to \$100,000
 - Suspend the required minimum distribution from IRAs and 401(k) plans (at age 72)
- **Delay of student loan payments** through September 30, 2020. For more information visit the [U.S. Department of Education website](#).

The entire CARES Act can be viewed [here](#). Also, individuals and businesses can view this [ToolKit](#) regarding recent federal legislation assisting Americans.