

COVID-19 Economic Relief Package

Congress passed a \$900 billion COVID-19 economic relief package late Monday after negotiating for months on a new round of stimulus. The roughly \$900 billion spending measure will include stimulus checks of \$600 per individual, an extended eviction moratorium and enhanced unemployment insurance of about \$300 a week, among a variety of school funding, vaccine and other public health-related measures.

The package also comes with a variety of measures long sought after by the business community, including:

- A new round of PPP loans (“PPP second draw”), with about \$284 billion earmarked for the program. It also comes with expanded eligibility for 501(c)(6) nonprofits, such as local chambers of commerce, which were left out of the original program. Businesses with “severe” revenue reductions can apply for a second loan.
- Expenses paid for with PPP loans would be considered tax deductible, officially reversing an IRS decision made earlier in the year that would have seen some small businesses pay more in taxes. The ability to deduct expenses if paid for with PPP loans had been the focus of intense lobbying by small business groups.
- A fresh \$20 billion for the Economic Injury Disaster Loan Program.
- A \$15 billion support program for live music venues, movie theaters and museums that have experienced “significant” revenue loss.
- \$9 billion for community development financial institutions and minority deposit institutions.