



## HAYASHI | WAYLAND

December 3, 2020

To Our Valued Clients and Friends:

We want to share with you some updates on the Coronavirus Food Assistance Program (CFAP) and timely information on the California Hiring Credit for Small Businesses. Below are more in-depth updates:

### **Coronavirus Food Assistance Program**

USDA Secretary, Sonny Perdue, announced the Coronavirus Food Assistance Program (CFAP) expansion on September 17, 2020. This immediate relief program of \$14 billion includes direct support to agricultural producers. CFAP 2 will provide financial assistance to producers of agricultural commodities to help absorb marketing costs associated with the COVID-19 pandemic.

**The applications for this program will close Friday, December 11, 2020.** The USDA has published additional guidance on who is eligible and how the program will award funds, [click here](#) to view their CFAP 2 information page.

The funds received are not considered loans and will be taxable in the year received. Funds received by year-end may affect year-end tax planning. .

### **Small Business Hiring Credit**

The California Department of Tax and Fee Administration began taking applications on December 1, 2020 for the small business hiring credit against CA state income taxes or sales and use taxes. Authorized by SB 1447, the credit is available to certain qualified small business employers that receive the credit reservation. Applications for qualified applicants will be available on a first-come, first-served basis through January 15, 2021.

Please note, this credit only applies to California small businesses that meet the following qualifications:

- Employed 100 or fewer employees as of December 31, 2019, and
- Suffered a 50 percent decrease or more in income tax gross receipts (generally, all income less returns and allowances), when comparing second quarter 2020 to second quarter 2019.



For more information or to apply for a reservation, use this link: [Link](#)

**Time is of the Essence to Apply.**

**Closing**

As always, please do not hesitate to contact the HW partner or team member you work with for assistance or with any questions you may have. We are here to help and are committed to serving you as best we can at all times. On behalf of everyone here at Hayashi Wayland, I wish you health and peace of mind as we navigate through this challenging time.

Sincerely,

A handwritten signature in cursive script that reads "Michael T. Briley".

Michael Briley, CPA, CGMA  
Managing Partner

