



HAYASHI | WAYLAND

June 5th, 2020

To Our Valued Clients and Friends:

This week brings updates to the Paycheck Protection Program, HW's tax paperwork drop off due date, and the reopening of the Hayashi Wayland Offices. Here is the latest:

Paycheck Protection Program Flexibility Act Update

On Wednesday evening the Senate passed a Paycheck Protection Program reform bill, sending it to President Trump to be signed into law. The bill gives business owners more flexibility and time to use loan proceeds and still be eligible for forgiveness as part of the Paycheck Protection Program.

The legislation, titled the Paycheck Protection Program Flexibility Act, is intended to make loan forgiveness more easily achievable by making the requirements more flexible. The legislation would give small businesses the option to extend the eight-week period in which they must use the money to qualify for loan forgiveness to 24 weeks.

The bill would also give small businesses more flexibility by changing the so-called 75/25 rule, which requires recipients of funds under the program to use three-quarters of the money for payroll costs and to limit other costs to no more than 25% in order to be eligible for loan forgiveness. The new ratio would be at least 60% on payroll and no more than 40% on other costs. In addition, a restriction was added that if the 60% threshold was not met, no portion of the loan would be forgiven.

As with any piece of new legislation, there are many details to understand and we are still working through all of the new rules to help our clients have the greatest chance to maximize forgiveness.

We are Re-Opening Our Offices!

Hayashi Wayland will be re-opening our doors to the public on Monday, June 8th and returning to our regular office hours of Monday-Friday 8:00am – 5:00pm.

The safety of our clients and staff is our first priority and we will operate under all protocols as required by the Center for Disease Control (CDC) and Monterey County Health Department, including:

- Face masks will be required. Please be sure you have your face mask on before you enter our office.
- Please practice Social Distancing of at least 6 feet



- Cleaning protocols are in place throughout our offices and hand sanitizer is provided in each of our lobbies.
- If you are experiencing any of the symptoms identified by the CDC as possibly being COVID-19 related such as coughing, fever, sore throat, and/or shortness of breath, please stay home.

Our HW Team Members continue to be available while they are in the office or working remotely. Please feel free to reach out to your team member with any questions. We continue to recommend Zoom video meetings or phone calls.

We appreciate your patience as we start to adapt to our “new normal”.

Tax Return Drop-off for July 15th Filing Deadline

On March 20, 2020, the IRS extended the federal income tax filing deadline from April 15, 2020 to July 15, 2020. This extension was automatic, taxpayers did not need to file any additional forms to qualify.

To ensure that our team has sufficient time to complete your tax return before the July 15th deadline we request that you provide all necessary information by Monday, June 22nd. Individual taxpayers who need additional time to file beyond the July 15 deadline can request a filing extension. If we have not received your tax return information by June 22nd, we will file for an automatic extension on your behalf.

If you think you may have tax due with your 2019 tax return please contact our team so that we can help determine the necessary extension payment required. Penalties and interest will begin to accrue on 2019 taxes that are not paid by July 15, 2020.

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 in these challenging times. On behalf of everyone here at Hayashi Wayland, I wish you health and peace of mind as we face this crisis together.

Sincerely,



Michael Briley, CPA, CGMA
Managing Partner





