



HAYASHI | WAYLAND

April 17th, 2020

To Our Valued Clients:

We are continuing to monitor the recent developments with the changing government mandates and changes to available relief programs. Over the past few days, there have been many updates that we wanted to share with you in an effort to keep you informed:

Individual Taxpayer Stimulus Payments

The IRS has begun issuing individual stimulus payments and many of you have received funds direct deposited into their bank accounts. The IRS has a site with relevant information and tools, as well as a place to update direct deposit information and track your payment. [Click here](#) to access their site.

PPP Loan Funds Exhausted

The EIDL and PPP applications are paused as of 10:00am on April 16th. The SBA is not accepting any more applications until more funding is appropriated by the Treasury. Any EIDL and PPP applicants who have already submitted their applications will continue to be processed on a first-come, first-served basis. You will not have to re-apply if you have already submitted. As soon as we learn more, we will let you know.

PPP Loans for Self Employed

The application date for independent contractors and the self-employed to apply for the Paycheck Protection Program loans began on Friday April 10th. The Small Business Administration issued an interim final rule clarifying eligibility and the application processes. The rule clarifies that self-employed individuals who filed Schedule C with their federal income taxes and were operating on February 15, 2020, are eligible for PPP loans, except for partners in a partnership (the partnership is the eligible entity, and the rule provides guidance for calculating the self-employment income of general active partners as payroll cost).

The rule also provides processes for self-employed applicants to calculate their maximum loan amount, depending on whether they have employees or not. Self-employed PPP loan recipients may use the proceeds for "owner compensation replacement," calculated based on monthly net profits.

To read full guidance by the SBA [click here](#).



California Relief for Self-Employed and Independent Contractors

California Governor Gavin Newsom announced additional unemployment benefits for the state on Wednesday as well as new measures to handle a record volume of unemployment inquiries. California is now setting up the federal government's [Pandemic Unemployment Assistance program](#) (PUA), which will provide benefits for certain unemployed individuals, including those who are self-employed, gig workers and independent contractors. There are an estimated 1.5 million self-employed California residents also deserving of direct assistance at this time. The state's Employment Development Department will serve as a one-stop shop for both unemployment insurance and PUA benefits starting April 28th. The plan is to issue PUA benefits within 24 hours to 48 hours, rather than 21 days as is the case for unemployment insurance claims.

COVID-19 Cyber Threats

Government agencies have issued warnings that cybercrime using COVID-19 themes are on the rise. Hackers have created multiple fake websites to trick users looking for updated information or resources, so please only use known trusted sites for information gathering ([Click here to see the IRS's Tax Scams webpage](#)). It appears that the most likely to be targeted are the newly expanded remote workforce. Most of us don't have the secure firewalls in place that our office locations employ to ensure the security of our network connections.

Simple steps to protect your home and business systems:

1. **Use a password on your home WIFI network.** If you are using a password, make sure it is not the default password and employs the use of uppercase, lowercase, numbers and special characters and is at least 8 characters long.
2. **Use anti-virus with an active subscription installed on your home computers.** Viruses and malware are constantly being created and evolving. A current subscription will make sure that your computer is protected against the latest threats.
3. **Run all software updates on all of your devices.** This includes updates for your PC's operating system, your mobile devices and any programs/apps you have installed.
4. **Check that you are using secure connections.** If you are using Microsoft's Remote Desktop Protocol to access your company's systems, contact your IT department to ensure all connections are secure.
5. **Be cautious with the email in your inbox.** Below we will outline some simple techniques to help you stay vigilant in protecting yourself against spam and phishing emails.

Email Safety

Simple steps to help protect yourself against hackers attempts to load malicious content onto your devices:

- **Always be suspicious** – be on the lookout for red flags in the communications you receive. One of the biggest red flags is if a communication asks you to perform an



action, open this attachment, click this link, send me this specific information. If you receive an email from an unknown source that is asking you to do any of these actions, especially if you are pushed to perform these actions to avoid a negative consequence it is recommended that it is deleted.

- **Always verify** – If an email comes in from a known source but comes at an odd hour or appears out of the ordinary it is recommended that you follow up with the sender to confirm they actually sent it. Do not perform your verification by simply replying to the initial email, it is recommended that you create a new email to verify or even better pick up the phone and verify with the person over a call. You should also verify a link before clicking on it. The way to do this is by reviewing the link to look for misspellings, then hover over the link to ensure the link in the email matches where the link will actually take you.

AntiVirus Recommendations

Below are the three AntiVirus products our IT team recommends for your use on your home PCs. If you do not already have AnitVirus installed on your home computer it is recommended that you first run Trend Micro's House Call product ([please click here](#)) to run a cloud based scan that will ensure your machine is not already infected.

- [Trend Micro](#) 1 year 5 device license is \$39.95
- [Malwarebytes](#) 1 year 3 device license is \$59.95
- [Sophos Premium](#) 1 year 10 devices is \$42

Closing

We anticipate you may have questions and need assistance with, or want to talk about, upcoming financial decisions. Please don't 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

