

Virus Tax and Financial Update January 8, 2021

More aid resources for restaurants, entertainment establishments, gyms, personal service salons, independent retailers, and event support companies

The Commonwealth of Massachusetts, through the Massachusetts Growth Capital Corporation (MGCC) is accepting applications through midnight January 15, 2021 for businesses to obtain a grant of up to \$75,000 (capped at up to three months of operating expenses) from a \$668 million pool created to assist small businesses. The business types listed above will be granted priority status in the consideration of the grant awards. The MGCC will collect grant applications through January 15, 2021 at which point it will commence its determination as to who will receive grants. Grant funds can be used to cover employee payroll and benefit costs, mortgage interest, rent, utilities and interest on other debt obligations.

Eligible businesses are those based in Massachusetts operating as a for-profit entity whose tax returns document a loss of income equal to or greater than the requested assistance. The business must be in good standing with the state, having paid all taxes due through March 1, 2020 and have active and valid state licenses if applicable. Documentation to be submitted with the application include 2019 business income tax returns and 2019 personal tax returns for any business owner with a 20% or greater ownership. All corporate, partnership, or LLC applicants must include a certificate of good standing from the Massachusetts Secretary of State's office. You must submit a copy of the business owners valid photo identification with the application.

In the past the state has not had enough funds to support all of the needs requested by applicants. It is possible that you will receive a reduced amount of grant if you receive any grant at all. I look forward to hearing from you.

Happy New Year to you all. Sometimes all we can do is keep smiling!

Also - the SBA yesterday issued interim rules for the PPP v.2 providing the first guidance on the stimulus package passed at year end. I'll be reading the details this weekend and will provide insights to you early next week.