

Breaking News!!!

Virus Tax and Financial Update (December 21, 2020)

Congress Agrees on New Federal Pandemic Stimulus

A gift from Congress as we celebrate a Merry Christmas, Happy Hanukkah and a festive but safe end of 2020 dominated by the pandemic.

Yesterday D.C. lawmakers agreed in principle to a \$900 billion stimulus package intended to stop the U.S. economy from falling off a cliff. The details are still being inked, and we will update you as we learn more, but here's what we know for now...

Businesses will be allowed to deduct the costs covered by the Payroll Protection Program (PPP) providing a much needed Congressional fix to the IRS position that those costs could not be deducted.

The agreement earmarks \$284 billion to revive the PPP. We await details as to who may be eligible for this new round of funding. We are processing forgiveness for the first round of PPP. Let us know if you need help.

Stimulus checks of \$600 per person AND per dependent will be issued early in 2021 to those whose income did not exceed \$75,000 in 2019.

Federal unemployment benefits for 12 million unemployed are extended for an additional 11 weeks and sweetened by an additional \$300 per week (some observers believe this added stimulus will provide a bridge to the vaccine and ease the way for Governors to shut down businesses – we shall see).

The federal moratorium on evictions is extended for another month and is supplemented by rental assistance.

The agreement includes \$82 billion for schools and colleges to re-open classrooms safely.

This is a rapidly developing story. The next step is for an actual draft of legislation to pass hours of deliberation in the House Rules Committee, then the consent of all 100 Senators to schedule a vote on the bill. We stand ready to assist you in being vigilant in identifying opportunities to save taxes and keep more of what you earn. Yes, we are fond

of saying, “it’s not what you earn, it’s what you keep.”

Finally, in this Holiday Season I turn to the words of Tiny Tim, “God bless us, everyone” Frankly, we need it. Tell the people you love that you love them.

AND KEEP SMILING!!