



5 Ideas to Protect Your Business Now

These are trying times for many of our clients. While the future is very murky, we at Element think it is very important to plan for the remainder of the Great Pause, and plan for the recovery. No one can say for sure how long any recession resulting from the pause will last, but businesses should plan now to mitigate this unique business risk. Here are some ideas we have, along with some crucial information for business owners:

1. IMPLEMENT A SHORT-TERM EMERGENCY BUDGET

It is important to take a good look at your expenses and cut things that threaten the company's cash position as you prepare for decreased in cash received.

2. ADAPT AND INNOVATE!

We are inspired by our clients. We love hearing stories of how they are thinking differently about ways to bring value to their customers. Whether it is remote work situations or new ways to bring products to market, think about the unique opportunities that exist in this marketplace. Some restaurants may close their doors. Others will innovate and find unique ways to meet the continued demand for good food safely. Many film and television producers are thinking about alternative content delivery, or small crew production. Others are consolidating plans around development efforts, so that they can hit the ground running after the pause.

3. APPLY FOR SHORT-TERM HELP

The federal and state governments have approved programs to help businesses that qualify with short-term help. Check your state and city for tax breaks or grants designed for small or medium sized businesses. The federal government SBA program has released guidance on loan programs available as a result of COVID-19. These can be a good way to cover short-term cash shortages at a low interest rate. You can find information here: <https://www.sba.gov/page/coronavirus-covid-19-small-business-guidance-loan-resources> . Element is happy to help you figure out how these products can help you.

4. DELAY IRS PAYMENTS

The Internal Revenue service has extended **payment** deadlines for both business and individuals. Remember, this is **not** an extension of the filing deadline. You must still either file your tax return or request an extension by the April 15, 2020 deadline. However, you can delay payments which are normally required to be made by the April 15, 2020 deadline without penalties and interest, if you make these payments by July 15, 2020. Unpaid tax payments are limited to \$1,000,000 for individuals and pass-through entities (partnership and S-corporation income), and \$10,000,000 for corporations. This extension also applies to first quarter



estimated tax payments for 2020.

<https://www.irs.gov/newsroom/payment-deadline-extended-to-july-15-2020> .

5. COMPLY WITH NEW LAYOFF REQUIREMENTS

For businesses forced into layoffs and furloughs, keep in mind that many states are requiring additional reporting from employers. For example, the state of Georgia Department of Labor has published new requirements that employers file unemployment claims online on behalf of employees rather than employees reporting to unemployment offices. Employers that don't comply with this requirement will be required to reimburse the Department of Labor for the full cost of unemployment benefits paid to their employees. More information can be found here:

<https://dol.georgia.gov/blog/new-information-filing-unemployment-partial-claims-and-reemployment-services> .

Contact Element CPAs if you need help with these or any other issues as you navigate your business through the COVID-19 pause.