



CARES ACT – MAJOR DEADLINES FOR RELIEF FUNDS

Below is a one-stop-shop for effective dates and regulatory deadlines for key relief provisions included in the CARES Act. The first section lays out the effective dates/regulatory deadlines at a glance and the second section lists the key provisions by title and in the order they appear in the final text of the CARES Act and also contains some additional information about certain sections/provisions.

Effective Dates/Regulatory Deadlines At A Glance

March 27, 2020

- Pandemic Unemployment Assistance
- Emergency Increase in Unemployment Compensation Benefits
- Pandemic Emergency Unemployment Compensation
- Using Retirement Funds for COVID-19 Costs (Sections 2202 and 2203)
- Employer Payment of Employee Student Loan Debt (Section 2206)
- Employer Payroll Tax and Self-Employment Tax (Section 2302)
- Employee Retention Credit (Section 2301)
 - Applies to wages paid after March 12, 2020 and before January 1, 2021.

April 3, 2020

- Transit Systems - \$25 billion

April 6, 2020

- Loans and Loan Guarantees for Air Carriers and Eligible Businesses (Section 4003, Paragraphs 1-3) - \$46 Billion
- Pandemic Relief For Aviation Workers (Section 4112) - \$32 Billion

April 11, 2020

- Paycheck Protection Program - \$350 billion
- Existing Small Business Administration (SBA) Loan Relief
- SBA Economic Injury Disaster Loan (EIDL) Program Expansion
- Emergency EIDL Grants
 - \$10,000 advances under this section are due within three days of applying.
- SBA Express Loan Expansion

April 26, 2020

- Loan Forgiveness

Effective for taxable years beginning after December 31, 2017

- Limitation on Losses for Taxpayers Other than Corporations (Section 2304)
- Limitation on Business Interest and Alternative Minimum Tax Credits (Sections 2305 and 2306)

Effective for taxable years beginning after December 31, 2019

- Charitable Contributions

Key Provisions by Title

Division A – Keeping Workers Paid and Employed, Health Care System Enhancements, and Economic Stabilization

Title I – Keeping American Workers Paid and Employed Act

- Paycheck Protection Program
 - New \$350 billion “Paycheck Protection Program” within the existing 7(a) loan program. The new program provides eight weeks of cash-flow assistance through 100 percent federally guaranteed loans to small employers who maintain their payroll during this emergency.
- Existing Small Business Administration (SBA) Loan Relief
- SBA Economic Injury Disaster Loan (EIDL) Program Expansion
- Emergency EIDL Grants
 - \$10,000 advances under this section are due within three days of applying.
- SBA Express Loan Expansion

The Secretary of the Treasury is directed to issue regulations to carry out these sections, and the amendments made by the title, **no later than 15 days after enactment, or April 11, 2020.**

Loan Forgiveness

30 days after the date of enactment, or April 26, 2020.

Title II – Assistance for American Workers, Families, and Businesses

Subtitle A – Unemployment Insurance Provisions

- Pandemic Unemployment Assistance
- Emergency Increase in Unemployment Compensation Benefits
- Pandemic Emergency Unemployment Compensation

The “Paperwork Reduction Act”, which is a United States federal law enacted in 1980 designed to reduce the total amount of paperwork burden the federal government imposes on private businesses and citizens, will not apply to all of the provisions included in Title II. This means that the provisions go into effect on **March 27, 2020**. The Secretary of Labor is also directed to issue any operating instructions or other necessary guidance to carry out the provisions.

The bill incentivizes states to pay out unemployment benefits as early as possible by having the federal government cover the first week of benefits for states that pay recipients as soon as they become eligible (instead of waiting the customary one-week period before awarding unemployment insurance).

Subtitle B—Rebates and Other Individual Provisions

Using Retirement Funds for COVID-19 Costs (Sections 2202 and 2203)

Effective on **March 27, 2020** and applies to the rest of the calendar year.

Charitable Contributions (Section 2205)

These changes will apply to **taxable years beginning after December 31, 2019**.

Employer Payment of Employee Student Loan Debt (Section 2206)

The provision is in effect until the end of the 2020 calendar year and will go into effect on **March 27, 2020**.

Subtitle C—Business Provisions

Employee Retention Credit (Section 2301)

The section in the CARES Act only applies to **wages paid after March 12, 2020 and before January 1, 2021**.

Employer Payroll Tax and Self-Employment Tax (Section 2302)

The Secretary of the Treasury is directed to issue regulations and other necessary guidance to carry out this provision in the bill, but as stated above, the deferred Social Security tax payments may begin on **March 27, 2020**.

Limitation on Losses for Taxpayers Other than Corporations (Section 2304)

This provision applies to **taxable years beginning after December 31, 2017**.

Limitation on Business Interest and Alternative Minimum Tax Credits (Sections 2305 and 2306)

The amendments made by the section apply to **taxable years beginning after December 31, 2017**.

Qualified Improvement Property Fix (Section 2307)

This provision will retroactively take effect as if it were included in the Tax Cuts and Jobs Act of 2017, which was signed into law on December 22, 2017.

Title IV – Economic Stabilization and Assistance to Severely Distressed Sectors of the United States Economy

Subtitle A – Coronavirus Economic Stabilization Act of 2020

Loans and Loan Guarantees for Air Carriers and Eligible Businesses (Section 4003, Paragraphs 1-3) - \$46 Billion

The Secretary of the Treasury has ten days after the enactment of the CARES Act to publish the procedures for application and minimum requirements, which may be supplemented by the Secretary in the Secretary's discretion. **This would mean April 6, 2020.**

Subtitle B – Air Carrier Worker Support

Pandemic Relief For Aviation Workers (Section 4112) - \$32 Billion

The Department of the Treasury is to issue program rules within **five days (April 1, 2020) of enactment and start issuing funds within ten days (April 6, 2020) of enactment.**

Division B – Emergency Appropriations for Coronavirus Health Response and Agency Operations

Title XII – Department of Transportation and Housing

Transit Systems - \$25 billion

The Federal Transit Administration has **seven days (April 3, 2020) to apportion the additional formula funds made available by CARES.**