

Call to Action...It's Tax Day: Make Your Voice Heard!

Today is **April 15...Tax Day**, and businesses have raised questions about how the COVID-19 pandemic is impacting tax deadline, specifically relating to the new Corporate Activity Tax (CAT). Following is some important information regarding the CAT, as well as a plea to engage directly with our legislators **TODAY** to tell them to protect Oregon jobs.

Oregon's Corporate Activity Tax

The first quarter payment of the new Corporate Activity Tax (CAT) is **still due April 30**, and there has been no indication from state leaders that they will provide cash-poor businesses any relief from this new tax. Many businesses are now being forced to choose between paying state government and paying their employees.

Tell Governor Brown and our legislators that they must delay CAT implementation TODAY.

PLEASE ACT NOW

This simple action will take just one minute but will show that you have the back of Oregon businesses. The new education programs funded by the CAT are not established yet and Governor Brown already requested that school districts put a pause on their spending plans. It is only logical that we do the same for our local businesses during this time of crisis. We can work together to advance education programs when we are through this crisis.

On its [website](#), the Oregon Department of Revenue (DOR) has clarified that the state still expects businesses to make the first quarter CAT payment by April 30. Additionally, the department said it, "understands that the pandemic may impact commercial activity, up or down, to an extent that makes it difficult for businesses to estimate their first payment. The department will not assess underpayment penalties for taxpayers making a good-faith effort to estimate their first quarter CAT payments."

The department has not defined what "good faith" means in this context. Barring guidance from DOR that specifies otherwise, it is likely that decisions to waive underpayment penalties will be made on a case by case basis. At this point, the best bet for our local businesses is to consult with your accountants and attorneys about how you should handle your first quarter CAT payment.

DON'T DELAY! Apply for Paycheck Protection Program!

Beginning April 3, qualifying businesses could apply for loans under the federal Paycheck Protection Program (PPP). The PPP is part of the federal legislation signed into law and

includes up to \$10 million per business to help with employee retention and operation expenses.

It is first-come, first-served. So, call your bank, credit union or other financial institution TODAY to start the process. Approved SBA Lenders will handles the loans.

A few quick FAQs:

How do I apply?

- Loans will be made through financial institutions that are already Small Business Administration qualified lenders. Your first call should be to your bank or credit union.

When can I apply?

- Small businesses (fewer than 500 employees) and sole proprietorships can apply for loans starting today, April 3.
- Starting April 10, independent contractors and self-employed individuals can apply, according to the Treasury guidelines.

Who qualifies?

- Businesses and entities in operation on February 15, 2020
- Small Businesses, 501(c)(3) nonprofits, 501(c)(19) veterans organizations or tribal businesses that have fewer than 500 employees or otherwise meet the SBA size standard
- Businesses in the accommodation and food service sector that employ 500 or fewer employees per physical location
- Businesses that have already received an [Economic Injury Disaster Loan](#) (EIDL) but have not used it for the same purpose

What will the loans look like?

- Loan amounts up to 2.5x average covered monthly payroll and selected overhead expenses, not to exceed \$10 million
- Potential for loan forgiveness for eligible payroll, mortgage interest, rent and utilities during the covered eight-week period after origination
- No fees and no prepayment penalties
- No business collateral or personal guarantee required
- Payments are deferred for six months

The U.S. Chamber of Commerce created this helpful [overview of the PPP](#) and what it means for small businesses across the country.

NEW Information and Resources for Businesses Related to the COVID-19 Pandemic:

<https://roseburgchamber.com/news/current-news/>

Please continue to check back, as the chamber updates its resource information almost daily. And, please share this link with friends and colleagues. The more our local businesses armed with information and access to resources, the stronger our recovery.

A fourth federal relief package is expected to be approved in the near future. The chamber will let our members know what additional opportunities for business relief are available, as soon as we have that information. The Roseburg Area Chamber continues to work with statewide business partners in its advocacy to safely “reopen” Oregon for business as soon as possible!

**Stay Safe...Stay Strong...We Are In This Together!
And, please remember to BUY LOCAL and SHOP SMALL!**

Let us know how we can help. Please take care.
Debbie

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