



Long Island City
Partnership

Tax Planning & Opportunities As We Consider Emerging From A Pandemic

PRESENTED BY:

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Agenda

- Federal Stimulus Programs: Update
- Tax Relief & Opportunities Emerging From The Pandemic
- Economic Recovery – What to Expect

Federal Stimulus Programs: Update

- Coronavirus Preparedness and Response Supplemental Appropriations Act
- Families First Coronavirus Response Act
- Coronavirus Aid, Relief and Economic Security (“CARES”) Act
- Paycheck Protection Program (“PPP”) – second round released this week
 - Permitted expenses, including “payroll costs,” rent, utilities, and certain other items can qualify for PPP loan forgiveness
 - Includes wages, retirement benefits, health insurance, and certain other items paid by the business

Tax Relief & Opportunities Emerging From The Pandemic

- Temporary relaxation of amendments enacted as part of the Tax Cuts and Jobs Act of 2017 (the “TCJA”)
 - CARES Act’s tax provisions are intended to allow businesses that realized losses during prior years (before 2020) to convert those losses into refunds that will be payable / usable now
 - Permits business owners to use other losses to offset otherwise taxable income, enabling those tax dollars to be applied elsewhere



Tax Relief & Opportunities Emerging From The Pandemic

- Delay of Tax Payments – July 15th
- NOLs – carrybacks, limitations changes
- Business interest deductions
- Real Estate
 - Bonus depreciation
 - Like-kind exchanges
- Deferring Employment Taxes



Tax Relief & Opportunities Emerging From The Pandemic

- Executive Compensation
- Incentive Compensation
- Renegotiating Debt
- Renegotiating Leases
- Bad Debts
- Gift & Estate Planning



Economic Recovery: What To Expect

- Estimated number of unemployment claims filed in the U.S. was approximately 26 million
- The first quarter GDP is expected to show a decline of more than 3%
- Second quarter is expected to register a 25% drop in economic growth
- State and local governments have made significant budget cuts
- States experiencing economic stress as tax revenues have plummeted
 - Reduction in economic activity
 - Deferrals granted to taxpayers for the payment of various taxes



Where Do We Go From Here?

- Leverage Tax Opportunities
- Planning Ahead
- Improve Efficiencies
- Strengthen Human Capital
- Strategic Business Advantages
- Resiliency



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Additional Questions

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<https://www.farrellfritz.com/covid-19-update/>

licqns.com/covid19

COVID-19 Resource Links with information for non-profit organizations:
<https://longislandcityqueens.com/covid-19-updates-and-resources/resource-links/>