

# Dealer Advisory

March 31, 2020



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A regularly updated "**Coronavirus Toolkit**" is available within the MADA website. From the [home page](#), go to the *FAQ* tab and select *Coronavirus Toolkit* or [click here](#).

## NADA Offers Dealership Webinar Lifeline Series

**NEW!** These webinars are for dealers and affiliated industry partners only, and are not open to press or members of the media. NADA members should have their member ID and passcodes available. All webinars will be available "on demand" within 24 hours of broadcast so dealers can view at a convenient time.

### [Making Sense of the New SBA Paycheck Protection Program](#)

**Wednesday, April 1, 1-2 pm ET**

SBA lending program authorized by the latest stimulus package (CARES Act) and the availability of Paycheck Protection Program loans to dealerships under that new law.

### [Federal Tax implications of COVID 19](#)

**Thursday, April 2, 1-2 pm ET**

Learn how dealerships can benefit from a series of favorable tax provisions in the new CARES Act. The webinar will focus on both immediate opportunities for dealerships and longer term tax planning considerations.

### [Managing Cash Flow](#)

**Friday, April 3, 1-2 pm ET**

Best practices for sources of immediate cash and other cash flow essentials to ensure that your dealership maintains the lifeblood of its business.

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*Also available from Plante Moran...*

### [Webinar: tax implications of the CARES Act](#)

Wednesday, April 1, 2 – 3:15 pm EDT

Rebroadcast Thursday, April 2, 2020; 10 – 11:15 a.m. EDT

The webinar will then be available "on demand"

**Mar. 27 -- Overview of business tax provisions**

[Enactment of CARES Act](#)

**Mar. 30 -- Plante Moran comparison chart**

[Economic Injury Disaster Loan and Paycheck Protection Program](#)

## CARES Act: Paycheck Protection Program

The CARES Act amends the Small Business Act by creating a new Business Loan Category under Section 7(a) of the SBA called the Paycheck Protection Program. The Paycheck Protection Program authorizes up to \$349 billion in forgivable loans to small businesses to pay their employees during the COVID-19 crisis.

The loan amounts will be forgiven as long as:

- The loan proceeds are used to cover payroll costs, and most mortgage interest, rent, and utility costs over the 8 week period after the loan is made; and

- Employee and compensation levels are maintained.

Payroll costs are capped at \$100,000 on an annualized basis for each employee. Due to likely high subscription, it is anticipated that not more than 25% of the forgiven amount may be for non-payroll costs. Loan payments will be deferred for 6 months.

**When can I apply?** Starting April 3, 2020, small businesses and sole proprietorships can apply for and receive loans to cover their payroll and other certain expenses through existing SBA lenders.

**NEW! Additional details from the U.S. Department of Treasury:**

- For a top-line overview of the program [CLICK HERE](#)
- If you're a borrower, more information can be found [HERE](#)
- The application for borrowers can be found [HERE](#)

*Additional resources to help employers understand the rules:*

**Mar. 30 -- FAQs from U.S. Senate**

[Paycheck Protection Program FAQs for Small Businesses](#)

**Mar. 27 -- Guidelines from NADA**

[The 500 Employee Size Limit in the Small Business Loan Section of the CARES Act: How Does it Apply to Dealers?](#)

**Mar. 27 -- Program overview from UHY LLP, Certified Public Accountants**

[Congress Passes CARES Act, Details on Paycheck Protection](#)

## Federal Paid Sick Leave and Expanded Family & Medical Leave

**Families First Coronavirus Response Act** gives all American businesses with fewer than 500 employees funds to provide employees with paid leave, either for the employee's own health needs or to care for family members.

**NEW! Mar. 31 -- U.S. DOL document updated**

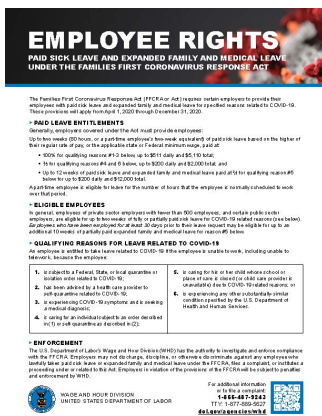
The U.S. Department of Labor's (DOL) Wage and Hour Division (WHD) has again revised its FAQ page on the [Families First Coronavirus Response Act](#).

**Mar. 30 -- NADA updates FAQs**

NADA will update its [FFCRA FAQs](#) accordingly, to reflect the new changes to the federal document. Please check back soon.

*Also see:*

- [COVID-19 and the American Workplace](#) (DOL's central web page for information)



*Must be posted in your dealership*

**Reminder: Mandatory Employee Poster Requirement**

The U.S. Department of Labor released a notice of FFCRA requirements that each covered employer must post in a conspicuous place on its premises. This poster must be posted in your dealership no later than Wednesday, April 1, 2020. The notice is accompanied by a set of FAQs.

- [Mandatory poster](#)
- [FAQ about poster](#)

Please feel free to contact DADA at (248) 643-0250 or MADA at (800) 292-1923 if you have any questions.

*This advisory has been prepared in conjunction with  
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