



FUBA
FLORIDA UNITED BUSINESSES ASSOCIATION

ISSUES

OUR BUSINESS IS SMALL BUSINESS

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SMALL BUSINESS LOAN PROGRAM CLOSES SOON

If your business wants to apply for a loan from the Paycheck Protection Program, you need to move quickly because the deadline is almost here. While the official closing date for the PPP program is May 31, 2021, most banks are cutting off PPP applications *before* that deadline.

You apply for a PPP loan with the bank where your business has its bank account. Check with your bank to see what their deadline for submitting PPP applications is and make sure to submit your application and supporting documentation before that date.

Here are the application cutoff dates for some of the major banks. Your bank's cutoff date may be earlier or later than these dates.

- Bank of America: Applications accepted until 11 pm on May 14th
- Regions Bank: Applications accepted until 5 pm on May 21st
- Chase: Applications accepted until May 14th
- Wells Fargo: No definite cutoff date yet

Your bank will have an online portal for you to apply for a PPP loan and upload your supporting documents (like 941's to show payroll). If you are not sure how to access your bank's online portal, call them or visit their website.

PPP loans are very helpful for small businesses because they do not have to be paid back if a business spends the loan on eligible business expenses (like payroll, rent, and utilities) and retains its employees. No collateral is required to get a PPP loan, and lenders are not allowed to charge fees for the loan.

Most small businesses, including sole proprietors, independent contractors, and self-employed individuals, are eligible for their first PPP loan. Businesses that already received their first PPP loan last year can receive a second PPP loan if their revenue decreased in 2020 from 2019.

Corporations and LLCs are eligible to receive a loan of 2.5 times their average monthly payroll from either 2019 or 2020. Businesses that file IRS Form 2040, Schedule C (sole proprietors, independent contractors, and the self-employed) are eligible for up to \$20,833 if they have no employees. With employees, they are also eligible to receive 2.5 times their monthly payroll.

Visit the Small Business Administration's website at [sba.gov/funding-programs/loans/covid-19-relief-options/paycheck-protection-program](https://www.sba.gov/funding-programs/loans/covid-19-relief-options/paycheck-protection-program) to learn more.

FUBA members with questions about PPP loans can ask our experts by emailing fuba@fuba.org or calling our offices at 800-262-4483.

NEW REEMPLOYMENT TAX RATES FOR FLORIDA BUSINESSES

A new law has changed the Florida reemployment tax rates for businesses in 2021. The new tax rates will be much lower for most Florida businesses and will apply to all wages an employer pays in 2021. You can go to the Florida Department of Revenue's website at <https://brtx-fl-uc.bswa.net/> to view your new reemployment tax rate for 2021.

The Department of Revenue is mailing you a revised Reemployment Tax Rate Notice (Form RT-20) that reflects your new 2021 rate. This replaces the tax rate notice you received from the Department of Revenue in December 2020.

The deadline for paying your first quarter reemployment tax has been extended to May 31, 2021. (The deadline to file your wage reports (RT-6) for the first quarter of 2021 did not change; RT-6 wage reports were due to the state on April 30, 2021.)

The Department of Revenue will use your 1st quarter's wages and new tax rate to calculate how much reemployment tax you owe for the first quarter and will send you a Notice of Amount Due.

If you normally mail your tax payment to the Department of Revenue, make sure your payment is postmarked by Tuesday, June 1, 2021 (May 31 is a holiday) and include the coupon attached to the Notice of Amount Due when mailing the payment.

If you pay online, submit your payment no later than 5 p.m. ET on Friday, May 28, 2021 and indicate a debit date of June 1 (May 31 is a holiday).

If you have already filed and paid your first quarter wage report using your old tax rate, you do not need to file a corrected report. The Department of Revenue will recompute the tax due using your new tax rate and, if applicable, issue you a refund in late June.

FUBA members with questions about reemployment tax can ask our experts by emailing fuba@fuba.org or calling our offices at 800-262-4483.

SALES TAX CHANGE IN FLORIDA

Under a new law approved by the Florida Legislature, the way businesses calculate sales tax in Florida will be changing soon. For decades, the amount of state sales tax due on a transaction has been figured using a bracket system which calculates sales tax for transactions that fall below or in between whole dollar amounts.

Starting July 1, 2021, Florida is moving away from the bracket system and will start requiring businesses to use a rounding algorithm when calculating the sales tax due on a transaction. Using this algorithm, the computation of the tax must be carried to the third decimal place; if the third decimal place is greater than 4, the tax must be rounded up to the next cent.

Businesses have until September 30, 2021 to update their systems to comply with the new rounding method.

For more information, visit the Department of Revenue's website: floridarevenue.com/pages/default.aspx.

FUBA will be providing more information to our members on this change in coming newsletters.

NEWSLETTER UPDATE

Because we heard from so many FUBA members who missed getting paper copies of our newsletter in the mail, we have good news. We are going back to sending this newsletter to you in the mail. We will keep sending it via email too. Thank you for your feedback to help us serve you better!