



Covid-19 Resources

FAQs – September 3, 2020

Getting you the answers to the many questions related to Covid-19 and its impact to you is our first priority. Please know that our team is working as quickly as possible to understand all that is taking place and going to the source for the answers. Our goal is to get you answers and information that is in your best interest and not get waylaid with distractions. Below is the most recent information.

Q1. What do I need to know and do about the Executive Order (EO) related to deferral of Employee payroll taxes?

On August 8th, the President signed an executive order authorizing temporary payroll tax deferrals. **This would be in effect from September 1 through December 2020** and would allow employees to defer their portion of Social Security tax from their paychecks. It would apply to only those earning \$4,000 or less per bi-weekly pay period (\$104,000 or less per year). Based on current guidance, the employee must request the employer for the deferral.

The Catch: The deferral of employee social security tax runs from September 1, 2020 through December 31, 2020. The employee must then repay the deferred employee social security tax over the period starting January 1, 2021 and ending April 30, 2021.

Is This Workable? Although a little tax deferral is always nice for the paycheck – we cannot imagine that the vast majority of employees would want to pay double social security during the pay-back period next year. Based on this we expect most employers and employees will ignore this program and we are not aware that you are required to offer it if requested. If requested, we recommend you educate the employee as to the requirement to pay it back next year and the potential hardship in doing so. To date, we are not aware of any guidance related to informing employees or posting of notices.

Q2. I received a notice about the ESD Application for benefit charge offset – do I need to do this?

The State has allocated \$25 million in Covid-19 relief for employers who pay unemployment taxes. Relief comes in the form of lower 2021 unemployment taxes rates. Exactly how much each employer receives will depend on how many fill out the application and are approved. You must apply in order to receive benefits.

To be eligible, employers must have laid off workers due to Covid-19 related closures and later rehired those employees at similar positions and wages. More information can be found here:

<https://esd.wa.gov/employer-taxes/offset>

The application can be submitted here:

<https://fortress.wa.gov/esd/file/SecureUpload/BenefitChargeOffset>

Q3. HHS Extends Deadline again for provider relief fund

The Department of Health and Human Services has again extended the application deadline for the provider relief fund. Dentists now have until September 13th to apply. We had previously detailed the program [here](#) and [here](#). While the deadline has now been extended multiple times, there will come a time when the “deadline” actually becomes a final deadline.

Q4. What else do I need to be thinking about?

September 15th Deadline – 9/15 is the deadline for funding your 2019 retirement plan if you are a corporation or partnership. There are no additional extensions available. We recommend funding a few days before to be sure the payment is processed by 9/15.

September 15th Deadline – 9/15 is also the due date for your Quarter 3 estimated tax payment if you are making those. Please reach out to your client manager if you are uncertain what to pay. Please be on the lookout for our mailer on this topic shortly after Labor Day as well.

IRS Notices - We are seeing an uptick in IRS notices as IRS employees are starting to return to work and are processing returns. These could relate to payroll tax filings, federal tax returns, tax payments or a host of other items. Please send us any and all IRS notices as soon as you receive them so that we can help you to address the situation as quickly as possible. Some notices may not require a response but it is still important that we know about them. Others can be resolved with just a simple response.

PPP Forgiveness Application – While we are still anticipating additional changes in this regard and still recommend you postpone filing for forgiveness even if you have spent the funds, we anticipate providing you a detailed resource after the Labor Day break detailing how to approach this process and how we may be of assistance in that regard. If you have not already, please send us a copy of your PPP loan document even if you are handling all of the filings on your own.

Labor Day Closure – The Dental Group offices will be closed Friday September 4 through Tuesday September 8. Enjoy the last few days of summer!

Dental Group, LLC - We continue to work both in the office and remotely. Our meetings will be done via teleconference and or online collaboration. If you plan to drop off documents, please call ahead to coordinate a time when we will be in the office as there is no safe place to leave documents at the door.

If you have any questions, please do not hesitate to contact us directly at (425) 216-1612.