

COVID Relief Update: American Rescue Plan of 2021 and Other Developments

While we may be in the middle of tax season, Congress has finished work on the latest COVID relief package with a number of tax provisions. Meanwhile, the IRS and SBA have released key guidance related to the December law changes, covering the 2020 revised employee retention credit and last minute revisions to the PPP loan program that doesn't leave borrowers much time to react to take advantage of the changes. We will look at these key developments in a condensed two hour program to concentrate on those items you need to know now as we finish up the tax season.

Topics to be covered include:

- Major provisions of the American Rescue Plan of 2021 including
 - The next round of stimulus payments - what is the new phase-out option
 - Changes to the child tax credit
 - Partial exemption from income of unemployment compensation
 - Expansion of the premium tax credit
- IRS guidance on how the 2020 employee retention credit works with PPP forgiveness, including crucial information to allow your client to maximize their benefits under the program
- The SBA's changes in computing the maximum PPP loan amounts for sole proprietors based on gross income rather than net income

Learning Objectives:

After completing this course participants will be able to:

- Compute the taxable portion of unemployment compensation for taxpayers on their 2020 income tax returns and understand potential after year end planning opportunities.
- Explain to clients the differences between this recovery rebate program and the two that came before this one
- Understand the expanded child tax credit and the advance payment system that is set to start later in 2021
- Apply the extended and modified versions of the various payroll tax credits
- Understand the retroactive revisions made to the employee retention credit for 2020 and identify clients with payroll tax refund opportunities
- Apply guidance given by the IRS in Notice 2021-20 on the interaction of the 2020 employee retention credit and the PPP loan forgiveness process, including helping client maximize their tax credits
- Understand the differences between the 2020 and the early 2021 versions of the employee retention credits and advise clients on dealing with early 2021 version

Recommended CPE credits: 2 CPE **Field of Study:** Taxes **Advance Prep:** None

Level of Knowledge: Update **Prerequisites:** General tax knowledge

Presentation Method: Group internet-based **Acronym:** ARPD2

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