

CARES Act: Potential Tax Savings for Businesses

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The CARES Act includes a variety of measures designed to ease the financial burden for businesses during the pandemic. Provisions related to tax laws include:

- Immediate deferral of social security taxes
- Tax credits for paid leave
- Tax credits for employee retention
- Use of 2019 loss carrybacks
- Increase of 2019 interest deduction
- Allowance of 2018 bonus depreciation for qualified improvement property.

The benefit of the first three items can be claimed in current payroll tax returns. The benefit of the other items can be claimed by filing an amended return.

For additional information contact Chuck Potter. Chuck is a lawyer and a CPA and has extensive experience in a wide variety of tax issues.