



Some relief is on the way for Wyoming's Hospitality and Tourism Industry

Last night the CARES Act was approved 96-0 in the US Senate. It now moves to the US House of Representatives and we expect it to pass there no later than Friday. President Trump is expected to sign the bill into law shortly thereafter.

For Wyoming's hospitality industry the most important part of the bill is the \$349 billion small business recovery. Below we have listed the key elements for you to know now. Please understand this still could change, as you can never totally predict Washington politics.

SBA Loans

The measure creates a \$349 billion program for the SBA to offer unique loans to small businesses (500 or fewer employees). The loan amount is based on 250% of the borrower's average monthly payroll cost for the preceding year (provisions for seasonal employers are included), up to \$10 million. Collateral requirements are waived, and the "credit elsewhere" requirements (which have slowed down the process) have been waived as well. The loan is forgiven if used for payroll costs, mortgage interest, or rent/utilities.

- An exception was made to the small business requirement for restaurants and hotels. The 500-employee number is based on the number of employees at each physical location. So a restaurant or lodging property with 600 employees over five restaurants or hotels would qualify for these loans. This ensures that a number of larger independent restaurants, franchise owners and lodging properties can participate.

Tax Benefits

The agreement offers restaurant and lodging property owners' relief in the form of Net Operating Loss (NOL) carrybacks, delay of payment of employer payroll taxes, and an Employee Retention Tax Credit.

Qualified Improvement Property

At long last, restaurants and lodging properties will be able to immediately write off costs associated with improving facilities. The QIP fix will be complete once this bill is finalized.

For a more comprehensive review of the bill please click [here](#)

Once the bill is finalized we expect that our national partners, The American Hotel and Lodging Association as well as the National Restaurant Association will host webinars that address the legislation in more detail and explain how you can access these funds.

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