



## **Yadkinville CARES Small Business Assistance Grant Program FAQ**

### **What is the purpose of the Yadkinville CARES Small Business Grant?**

Yadkinville CARES Small Business Grant offers emergency relief to small businesses who have experienced serious financial loss due to the COVID-19 pandemic. The goal of the grant is to provide temporary financial relief to those most impacted by the pandemic resulting from business closures and business operation modifications imposed by the Stay at Home Orders.

### **Where did this funding come from?**

These funds come from the Federal Coronavirus Aid, Relief, and Economic Security (CARES) Act. Congress designated a portion of funds to go to local governments to meet urgent financial needs within communities.

### **Which businesses qualify for this funding?**

Small businesses in Yadkinville that have suffered significant, temporary loss of revenue, business interruption or job losses directly related to the COVID-19 pandemic (particularly businesses that have been directly affected by state and local business closure orders) are eligible. Specific eligibility criteria are provided. A business must meet ALL eligibility requirements to be eligible.

### **How do I know if my business suffered economic damages from business interruption caused by COVID-19 since March 1, 2020?**

Your business needs to be able to attest that it lost revenue and/or incurred additional business expense since March 1st due to COVID-19. For example, you may want to consider how much revenue you expected to earn since March 1st and compare that figure to how much you have actually earned.

If you are renting an office in a multi-tenant office building, you might qualify.

If you are a salon owner or renting a chair in a salon you may qualify.

### **I am a 1099 Contractor. Do I qualify?**

Although these grants are primarily meant for business owners, certain expenses and lost wages might be eligible for 1099 Contractors; we encourage you to apply.

### **I utilize contractors for my business and issue them 1099 tax documents. Do they count toward my 1-10 FTE Employees?**

No, only regular employees (reported on W-2s) count toward your maximum of 10 full-time equivalent employees.

**Do sole proprietors qualify?**

Yes, sole proprietors may qualify to receive a grant.

**What if I own my own business, but have no employees?**

As long as you meet all of the other eligibility requirements, you may still apply for a grant. As the business owner (or owners in the case of a partnership) you are considered the sole employee(s).

**Can I apply if my business was deemed nonessential?**

Companies that were deemed non-essential under the statewide stay at home order and the county's stay at home order and forced to close are eligible for the grants, provided they meet other criteria. If your business is not specifically mentioned as non-essential in these documents, but you were forced to close, you will likely qualify for a grant as long as you meet the other eligibility requirements.

**Do Nonprofits qualify?**

No. Non-profit organizations of any kind would not qualify for this grant.

**Are realtors registered as S-Corps with their home address as a business location eligible?**

Realtors may qualify.

**Are commercial and residential landlords eligible for this grant?**

No.

**Are churches eligible for this grant?**

Churches are not eligible for this grant program.

**Does my business qualify for this Grant program if we received other State or Federal CARES / COVID-19 loans?**

Yes. Grant criteria allow for applicants to be awarded a CARES grant regardless of other Federal assistance received in the form of other grants or loans.

**What can I use these funds to pay for?**

Funds can be used to reimburse the costs of business interruption caused by required closures. Grant funding can be used for business expenses, such as, but not limited to:

employees' wages (including your lost profit), mortgage, rent and utility bills for the physical location of your business and/or costs for deductible expenses related to business use of your home, and other costs for COVID-related losses (depending on the nature of your business).

### **Will I be taxed on the grant amounts my business receives?**

If you are awarded a grant, you will be taxed. You will receive a 1099-MISC form from Yadkinville in early 2021 that you may need to file with your 2020 tax return. Be aware that receipt of this grant may increase your tax liability, so check with your tax advisor and plan ahead.

### **How many times can I apply?**

Unless you are contacted by a Yadkinville Application Review Team member and told to reapply, you may not apply again. Additional applications without approval will be denied without review.

### **How do I submit a W-9 Form?**

You can download the standard IRS W-9 form from <https://www.irs.gov/pub/irs-pdf/fw9.pdf> and fill out the form. The form requires either a digital signature or a scanned signature to be accepted. Scanned copies or photos of a completed W-9 are acceptable. Without a completed AND signed W-9 form, your grant application cannot be completed and may result in the need to resubmit causing a lengthy delay in processing the application.

### **Do I have to put my bank account number on my W-9 form?**

No, do not put your bank account information on the W-9 form; the W-9 form states that field is optional.

### **In what format can I submit my documents?**

PDFs are preferred; no editable documents will be accepted.

### **Are electronic signatures accepted on the tax documents?**

Yes.

### **I own one or more commercial properties that I rent to others for them to conduct business on the premises. Do I qualify for a grant?**

No. Landlords do not qualify, whether the businesses to which they rent space are essential or non-essential.

### **I own one or more residential rental properties. Do I qualify for a grant?**

No. Landlords do not qualify.

**What if I have businesses in Yadkinville and another jurisdiction; can I use the grant for both businesses?**

No, the grant funds can only be used to assist the business in the Town of Yadkinville.

**Must a small business enter into a Grant Agreement to use these funds?**

The grant application, if approved and signed by the Town of Yadkinville, shall serve as the grant agreement and shall be binding upon the applicant as a contract.

**How much funding is available for small businesses?**

Yadkinville has set aside \$50,000 for eligible small businesses to each receive a one-time grant of up to \$5,000. The grant is not a loan and does not need to be repaid, but the proceeds may be taxable.

**If I'm approved, how quickly will I receive assistance?**

Complete applications with all required documentation will be reviewed on a first-come, first-served basis. Depending on the number of applicants, the goal is to approve applications and process payments within 14 days of reviewing the application submission. Please be advised that no one is guaranteed to receive a grant, and no one has a property right or legal explanation of receipt of funds.

Yadkinville is committed to helping our small businesses in need of aid as quickly as possible. Due to the widespread impact of the pandemic to our local community, we anticipate a high volume of requests.

**What is the application deadline?**

Yadkinville CARES Small Business Grant program will begin accepting applications for the second phase Monday, September 21, 2020. The application period will close when all grant funds have been awarded or reallocated, but no later than November 3, 2020.

**Will my business be required to report how I spent funds that are awarded?**

The Town of Yadkinville reserves the right to request such information. Also note that your business may be required to provide access to such records as may be necessary to prevent fraud or ensure compliance with Federal requirements.

**Can I apply for these funds through a local lending institution?**

Local banks are not involved in the grant program, so no prior banking relationship is required. Please apply directly through the Yadkinville CARES Small Business Grant online site.