



4300-B University Way NE, Seattle, WA 98105

Phone: (206) 402-5266 Fax: (206) 402-5878

Email: helpdesk@raincitycpa.com

March 16, 2020

Dear Business Owner:

The outbreak of COVID 19 (Coronavirus) and the direct affects it is having on all types of businesses will make the next couple of months challenging for everyone. We, at RainCityCPA, PLLC, wish to help in any way we can to ease the burden you will be facing if you find you must cut back or lay off any employees, or temporarily close your business. To that end, we have compiled a collection of handouts and suggested remarks you may wish to use:

- 1) For Employees:
 - a. Unemployment and Paid Family Medical Leave Act Packet for your employees
- 2) For Employers:
 - a. Employment Security Department "Sharedwork Program"
 - b. Department of Revenue – Extensions & Payments
- 3) Grants:
 - a. Seattle & Federal
- 4) Refinancing Loans:
 - a. References
- 5) Tax Filings:
 - a. Local
 - b. Federal

If everyone works together, we can mitigate the financial and emotional damage COVID 19 will have on all of us. Our thoughts are with you during this difficult time, and we are here to provide you any guidance you may need or answer any questions you might have.

Jordie, Pete, Joe, Branden, Yasura, Cathy, Michelle, Tony, James & Cleo

Your Team at RainCity CPA, PLLC



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Employees

Effective 3/16/2020, Governor Jay Inslee announced he will temporarily shut down restaurants, bars, and entertainment and recreational facilities. It is projected to end on 3/31/20. With the unforeseeable turn of events for our State and Nation, we believe it is best to take advantage of the opportunities that you are entitled to.

The AICPA foresees that the IRS will be pushing back the tax deadline 90 days, which is projected to be announced this week. If you are entitled to a refund, we recommend filing as soon as possible.

In the following pages are some general information on applying for unemployment and PFMLA. There is a guide on page 1 to see what benefits you are entitled to.

We recommend applying for everything. Even if you think you do not qualify.

COVID-19 Scenarios & Benefits Available

The information shared on this flyer does not necessarily reflect the official policy or position of any other agency or company. It is the reader's responsibility to verify the facts of coverage.

COVID-19 SCENARIOS	Paid Sick Leave (employer paid)	Unemployment Insurance		Paid Family & Medical Leave	Industrial Insurance (L&I)
	Current Law	Current Law	Emergency Rule	Current Law	Current Law
1 Worker is mildly ill with COVID-19.	✓	✗	✓	?	?
2 Worker is severely ill with COVID-19.	✓	✗	✗	✓	?
3 Worker was exposed and quarantined. Business remains open.	?	✗	✓	✗	?
4 Worker is caring for sick family member.	✓	✗	?	✓	✗
5 Schools are closed by a public official because of COVID-19 and worker has no childcare.	✓	✗	✗	✗	✗
6 Worker is immune-compromised and advised to self-quarantine.	?	✗	✓	?	✗
7 Worker is afraid of gathering in a group and refuses to go to work (self-distancing).	✗	✗	✗	✗	✗
8 Employer must shut down due to a quarantine by a public official.	✓	✓	✓	✗	✗
9 Employer shuts down due to a business slowdown or lack of demand.	✗	✓	✓	✗	✗
10 Employer reduces available hours due to business slowdown or lack of demand.	✗	✓	✓	✗	✗
11 Employer stays open in defiance of public health urging to close.	✗	?	?	✗	✗
12 Health care workers and first responder are under quarantine.	✓	✗	✗	✗	✓



The Employment Security Department is an equal opportunity employer/program. Auxiliary aids and services are available upon request to individuals with disabilities. Language assistance services for limited English proficient individuals are available free of charge. Washington Relay Service: 711





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UNEMPLOYMENT ENROLLMENT GUIDELINES

To qualify for unemployment benefits, you must:

- Have been employed for at least 680 hours in your base year.
- Be able to work and available for work.
- Search every week for work that's suitable for you.

Before you start, have ready:

- Your Social Security Number.
- Your Driver's License or Washington State ID
- Information about jobs you have had in the last 18 months. Include part-time and temporary jobs. For each employer, you need a:
 - Business name.
 - Mailing address.
 - Phone number.
 - Date you last worked and dates you worked for all employers (start & end dates)
- Paper and pen or pencil.
- If you had a military employer, your DD214 form.
- If you had a federal civilian employer, your SF50 or SF8.
- If you normally get your work through a union, the name and local number of your union.
- Your citizenship status. If you're not an U.S. citizen, your work authorization information.
- If you apply for benefits online and want to sign up for direct deposit, your account and routing numbers for your bank or credit union.

Note - Your claim takes effect Sunday of the week you first apply, regardless of when you last worked

Applying for Unemployment Benefits:

1. Visit esd.wa.gov
2. Click on "Unemployment Benefits" under the "Unemployment" heading in the middle of the screen (alternatively, select the Unemployment tab along the top of the screen).
3. On the following screen, "Unemployment Benefits," under "Step 2: Apply online or by phone" choose the Apply Online option. If you do not have access to a computer, apply by phone by calling 800-318-6022.

Next Steps are for the Online Application Only

4. If you have never applied for Unemployment Benefits before, you will need to create a new SecureAccess Washington (SAW) Account. If you have previously received Unemployment Benefits, use your existing SAW Username and Password to login.
5. On the following “eServices” Screen – select “For Yourself” followed by “Continue” and “Verify my identity” if prompted with your Legal First & Last Name, Social Security Number, and Address.
6. After confirming your identity – you should then be able to select the “Apply for unemployment benefits of manage your current and past claims” option, which will then take you to your claimant eServices page (example below).

The screenshot displays the 'Claimant eServices' interface. At the top, there is a blue header with the 'Employment Security Department WASHINGTON STATE' logo and navigation links: 'Helpful links | Return to services | Español | Sign out'. The main content area is divided into several sections: a 'Home' button, a user profile section with a 'Last logged on Mar 10 2020' timestamp, an 'Alerts' section with a notification 'You have 1 unread letter' and a prominent 'Apply for benefits' button, and an 'I want to' section with links for 'Change federal withholding preference', 'Send a message/ask a question', 'Update union information', and 'Upload a document'. Below these is a horizontal menu with tabs for 'Summary', 'Online activity', 'Notices/letters', 'Name/address', 'Job Search Log', '1099s', and 'Applications/Forms'. The 'My accounts' section is expanded, showing a table with one entry: 'View my expired UI claim' with details for Claim ID, Benefit year begin, Benefit year ending, Weekly benefit amount, and Status (Expired).

7. Under the “Alerts” heading you will want to select the “Apply for benefits” hyperlink.
8. You will then be directed to filling out the details of your claim *note – be sure to document your confirmation number to prove submission of the application. You will also need this if you exit and return to the application later*
9. The first section of the claim will focus on your “profile” and collect your personal/demographic information. After completion of this section you will arrive at the “Your Employers” section of the claim.
10. Your most recent employer likely will be automatically filled in here. If not, enter your employer’s name and address, the date you started working, and your last physical working day.
11. In the “why did you separate from this employer” section, choose “Laid off” followed by “other reason not listed” on the choose more information about this separation line.
12. Enter your pay information (hourly rate/annual salary) and average working hours per week.
13. After entering all of your Employer information, you will be directed to list your primary occupation. Use the “Search Occupation” function to select the occupation that most accurately reflects the positions you held. Answer whether you will continue to look for work in this occupation.

14. Answer questions regarding Union membership.
15. If you have received confirmation from your Employer that you expect to be able to return to full-time employment (40hrs/wk) within the next 4 weeks (8-weeks if Employer submits request) then you can request "Standby" which will waive the job search requirements. *Note – until confirmation of an allowed standby is received, you MUST continue to look for work*
16. You will then select whether you are physically able to work and choose whether to receive your benefits by check or by direct deposit (you will need bank account and routing information if you choose the latter)
17. Review the information and submit your claim.

You can use your eServices account at esd.wa.gov to:

Manage and view your unemployment benefits.

- Submit weekly claims.
- Track your benefit payments.
- Update your address, phone and contact preferences.
- View your wage information.

You must submit weekly claims!

For unemployment purposes, a week is Sunday through Saturday. For every week you want to receive benefits, you must:

Submit a weekly claim.

- Look for work (unless we tell you otherwise).
- Report your gross earnings and number of hours worked, even if you have not been paid yet.

There are two ways to submit weekly claims:

On eServices at esd.wa.gov. After a week ends, submit your weekly claim anytime between 12:01 a.m. Sunday and 11:59 p.m. Saturday. Find [instructions](#) online.

- By phone at 800-318-6022. After a week ends, submit your weekly claim anytime between 12:01 a.m. Sunday and 4 p.m. Friday. (Note: You have more time to submit if you use eServices!) The first time you submit by phone, we will ask you to set up your Personal Identification Number (PIN). Find [instructions](#) online.

You must submit weekly claims even if you are:

Waiting to hear if you are eligible for benefits.

- Expecting wages and hours to be added to your claim.
- Appealing a denial of benefits.
- Claiming a waiting week.

If you submit your weekly claim by phone, you will be asked to enter your 2-digit birth month and 4-digit birth year the first time you call. Then you will be asked to select a 4-digit Personal Identification Number or PIN. Your PIN is your electronic signature. Do not share it with anyone.

UNEMPLOYMENT NOTES

Temporary layoff(s)

In the event of a temporary layoff when the employer plans to rehire a laid off employee (or group of employees), WA Employment Security Department (ESD) may approve a request to place the worker or group of workers on standby. Standby waives the job search requirements while workers are collecting unemployment benefits during the approved standby period.

To qualify for standby, the worker must:

- Have been a full-time employee; and
- Be returning to full-time work; and
- Have a probable return-to-work date. Workers cannot exceed a total of eight weeks of standby on a claim.

To request standby:

- **Workers** who have a probable return-to-work date with a current employer within four weeks (28 days) can request standby approval for up to four weeks.

Workers starting a new job with a new employer may also request standby within two weeks of an expected start date.

Go to your eServices account, click on your current UI claim and look under *I want to*. Call the claims center at 800-318-6022 to request standby or make the request online.

- **Employers** can request standby for employees with a probable return-to-work date within eight weeks (56 days) of the date of the request.

Employers should request standby using the "Request for Separation Information" form we send when a worker has applied for unemployment benefits.

WA ESD decision:

Workers and employers will receive a standby decision in the mail.

- If approved, it starts with the date ESD receives the request.
- If denied, the requester can appeal their decision.

Partial Employment:

Employers who need to keep operating on a less-than-full time basis can request a status known as "Partial" for their employees; work search while on unemployment is waived if:

- Employees must have been hired to work full time
- They must return to at least 1 week of full time employment within a 4 month period
- Employees must work at least 16 hours per week

Your Paid Family and Medical Leave Application Checklist

Use this checklist to help you gather the information and take the steps you need to apply for paid leave.

FOR ALL LEAVE:

- Give your employer at least 30 days written notice, when possible, and save a copy.**
- Have Proof of ID ready.**
The state accepts many kinds of documents as proof of identity. The [full list](#) is available on the website, and includes:
 - Driver's license
 - Passport
 - Utility bill (phone, electric, etc.)
 - Paycheck or pay stub

FOR MEDICAL, FAMILY, AND MILITARY LEAVE:

- Medical leave:**
 - [Certification of Serious Health Condition](#) form or
 - Family Medical Leave Act paperwork
- Leave to care for a family member:**
 - The family member's Certification of Serious Health Condition form or
 - The family member's Family Medical Leave Act paperwork
- Military family leave:**
 - Active duty orders or other formal military documentation

FOR PARENTAL LEAVE:

Proof of birth, foster placement or adoption isn't required for applications to be approved. If we have a question about your application we may need to ask you to provide some documentation.

Your Paid Family and Medical Leave Checklist

Paid Family and Medical Leave is here for you when you need it most. If you have questions about how the benefit works, check out our Benefit Guide. And when you're ready to apply, use this checklist to help you gather the information and take the steps you need to apply for paid leave:

FOR ALL LEAVE:

- Give your employer written notice and save a copy.**
 - If you know you'll be taking leave ahead of time, give written notice to your employer at least 30 days before leave starts.
 - If you need paid leave unexpectedly, notify your employer in writing as soon as you know you will need leave.
 - This can be an email, letter or text. Make sure to save a copy.

- Have Proof of ID ready:**

The state accepts many kinds of documents as proof of identity. The [full list](#) is available on the website, and includes:

- Driver's license
- Passport
- Utility bill (phone, electric, etc.)
- Paycheck or pay stub

You'll also need to submit specific documents when you apply, depending on the reason you are taking paid leave.

FOR PARENTAL LEAVE:

Proof of birth, foster placement or adoption isn't required for applications to be approved. If we have a question about your application we may need to ask you to provide some documentation.

FOR MEDICAL, FAMILY, and MILITARY LEAVE:

- MEDICAL LEAVE — If you are taking leave for yourself, you'll need:**
 - [Certification of Serious Health Condition](#) form or
 - Family Medical Leave Act paperwork
- LEAVE TO CARE FOR A FAMILY MEMBER — If you are taking leave to care for a family member, you'll need:**
 - The family member's Certification of Serious Health Condition form or
 - The family members' Family Medical Leave Act paperwork
- MILITARY FAMILY LEAVE — If you are taking leave to spend time with a family member because of a military deployment or event, you'll need:**
 - Active duty orders or other formal military documentation

PFMLA Washington State

What should you have ready?

- Proof of Identity (license, passport)
- Documentation of medical issues
- SSN
- An old Paystub
- Give employer a notification of leaving

How to apply

1. Should I apply for PFMLA? <https://paidleave.wa.gov/apply-now/>
 2. Sign up for SAW – secureaccess.wa.gov
 - a. Sign up for a SAW account
 3. On your Homepage
 - a. Click “add a new service”
 - b. Click “I would like to browse a list of services”
 - c. Find “Employment Security Department” and select “Paid Family and Medical Leave” from the drop-down.
 4. Add a Benefit Account
 - a. Sign up with your information
 5. Add your employers
 - a. Leave start date
 - b. Leave end date
 6. Review your application
 - a. Submit by pressing continue
- Currently processing times are 10 weeks, but they’re working on it
 - We recommend applying as soon as possible as there will be numerous people applying
 - It will be a first in first out basis
 - If you think you will not qualify, you should still apply. During these times, emergencies could make the fund be used to aid employees.



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Employment Security Department “Sharedwork Program”

This unemployment program enables the employer to retain at least two employees on limited hours as well as enables the employees to receive unemployment benefits to make up part of their lost wages. Those employees participating must work between 50% to 90% of their regular work hours. If the hours drop below 50% they then become eligible for regular unemployment benefits.

Salaried employees need to be converted to a weekly basis as reporting is on a weekly basis, and permanent part-time employees are eligible provided they qualify for unemployment benefits (must have 680 hours in their base year).

The advantages are that employees are not required to seek work elsewhere while enrolled in the program, and it has a smaller impact on the employer’s unemployment premium rate. It is designed to enable the employer to retain key employees.

Applying for the program can be done by submitting an application thru the Secure Access Washington Account or by fax or electronic upload.

The application requires submitting a list of details for employees who will participate, estimating the number of jobs that will be saved, designating one or more employees to manage the plan as a representative of your company and a signature from the owner authorizing the application.

Link to the Employment Security Home page for the Sharedwork Program:

<https://www.esd.wa.gov/SharedWork>

Frequently asked questions for employers:

<https://www.esd.wa.gov/SharedWork/Employer-FAQ>

Frequently asked questions for employees:

<https://www.esd.wa.gov/SharedWork/Claimant-FAQ>



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Department of Revenue

Effective 3/16/2020, the WA State Department of Revenue is allowing businesses who have been affected due to the COVID-19 outbreak, an extension for filing your Combined Excises Tax Return (aka B&O tax return) as well as the actual payment of these taxes in the form of a late payment penalty waiver request. Currently, most extensions are less than 30 days; however, this will depend on your specific situation.

RainCity CPA, PLLC will work with you to complete all the necessary documentation for any extension or penalty waiver. Please contact us as soon as possible if you need to apply for an extension or delay the payment.

To learn more, please read the information found at: www.dor.gov and on the home page see the section in RED regarding important information on the COVID-19 outbreak.

If you **are able** to gather all current information and make payments as usual, please provide us with your data by 3/24/2020.



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Small Business Stabilization Fund

On 3/12/20 the City of Seattle has created a Small Business Stabilization Fund. This is a fund, or in other words a “grant,” which does not need to be repaid. To qualify you must:

- Have a physical location
- 5 or less employees
- Proof of loss of income due to Covid-19
- Your personal income must be 80% or less of the area median (depending on household size)

You can use this link to apply for the grant.

<https://www.seattle.gov/office-of-economic-development/small-business/small-business-programs-/stabilization-fund->

If you need any assistance in applying for this grant, please contact us and we will be glad to assist you.

Currently the Federal Grant Guidelines have not been published. We will advise any details as we get them.



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LOANS

HOME LOANS:

Some employers may need lending to weather this storm. After speaking with our contacts in the lending industry, the standards are somewhat in a flux and the rates are going up. As always, we view our best recommendations as someone we would personally use. Therefore, if you feel you want or need a new home mortgage, we suggest that you quickly apply and allow yourself time to lock in rates. We recommend the following Mortgage Loan Originator:

Mr. Danny Meier Homebridge Financial Services, Inc.

E: danny.meier@homebridge.com

P: 206.691.2934

Mr. Meier can assist you with home loans as well as provide recommendations for HELOCS.

BUSINESS LOANS:

Although RainCity CPA, PLLC has not personally used Wells Fargo for a business loan, but many of our clients have. Wells Fargo is a stable institution that is here for our business community and is willing to work with our clients when they can. We have worked closely with:

Ms. Laura Franklin – P: 206.833.4127 laura.franklin@wellsfargo.com
Mr. Mike Charters – P: 206.833.4124 mike.w.charters@wellsfargo.com

We want you to get the help you need, and our recommended partners understand that this is our main goal. Therefore, if you do not have a good experience, let us know as our referral sources matter to us.



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TAX FILINGS

Federal Tax Filings:

As of today, March 16, 2020, the American Institute of Certified Public Accountants (our national professional organization of CPA's in the USA) is in conversations with the Treasury Department and the IRS to secure filing and payment relief for tax payers and tax preparers in light of the uncertainty and challenges caused by the spread of the Coronavirus (COVID-19) pandemic.

Based on the initial conversations, they anticipate that Treasury and the IRS will announce this week an extension of the April 15th deadline by as much as 90 days, and a waiver of penalties and interests for most taxpayers.

For our clients who have a March 15th filing deadline, RainCity CPA, PLLC has already extended anyone who's return is not yet completed and/or filed. We have until September 15th to finalize these returns.

Local/Locale Tax Filings (City of Seattle B&O, etc):

As of today, March 16, 2020, we have not yet received any information on acceptable delays of filings or payments of taxes owed. We will be constantly monitoring these taxing authorities, and contact you with any updates we get.