



THE SMALL BUSINESS RELIEF GRANT

Governor Mike DeWine and the state's legislative leaders announced on Friday, October 23rd, they will be allocating \$125 million from the federal coronavirus-relief dollars to create The Small Business Relief Grant (SBRG). It is intended to provide relief to Ohio businesses that have been adversely impacted by COVID-19. The State will be providing \$10,000 grants to assist small businesses. There are two sets of eligibility requirement.

Small Businesses can begin applying for the SBRG on November 2nd at 10am at businesshelp.ohio.gov. Proceeds from SBRG can be spent on personal protective equipment, measures taken to protect employees, customers, or clients from COVID-19, mortgage or rent payments for business premises (personal residences explicitly excluded), utility payments (excludes utilities for personal residences and cellular phones not used primarily for business purposes), salaries, wages, or compensation paid to contractors or employees, including an employer's share of health insurance costs, business supplies or equipment.

Part 1: Eligible Businesses

A business as defined in these Terms and Conditions that meets all of the following criteria may receive funding from the SBRG:

- The applicant business is a for-profit entity (corporation, LLC, partnership, joint venture, sole proprietor).
- The applicant business is an employer firm with at least 1 and no more than 25 Ohio employees paid via W2 wages as of 1/1/2020, determined either by a headcount or full-time equivalent employee calculation. NOTE: A headcount calculation should include both part-time and full-time employees. A full-time equivalent calculation equals the total hours compensated for all W2 employees in calendar year 2019 divided by 2,080.
- The applicant business has a physical location in Ohio and earns at least 90% of annual revenue based on activities performed in and taxable to Ohio.
- The applicant business has been in continuous operation since January 1, 2020, except for interruptions required by COVID-19 public health orders, and has the ability to continue operations as a going concern, taking into account a potential program grant;
- The applicant business has experienced revenue loss or incurred unplanned costs substantially caused by COVID-19 and a grant is necessary to help it recover from the impact of COVID-19.
- The applicant business is in good standing with the Ohio Secretary of State, the Ohio Department of Taxation, and any other governmental entity charged with regulating the business.
- If applicable, the applicant business has fully utilized any other government support received (including both grants and loans) by the applicant business for business expenses incurred due to COVID-19 or that can be utilized for business expenses incurred due to COVID-19.

Part 2: Ineligible Businesses

A business as defined in these Terms and Conditions that falls within one or more of the following categories is ineligible to receive funding from the SBRG:

- The applicant business is a non-profit entity;
- The applicant business is publicly traded;
- The applicant business is operated by a governmental agency or entity;
- The applicant business is a club, as defined in section 4301.01 of the Revised Code;
- The applicant business is primarily engaged in political or lobbying activities or political issue advocacy;
- The applicant business operates as a sexually oriented business as that term is defined in Section 2907.40 of the Ohio Revised Code;
- The applicant business engages in conduct regulated by the state casino control commission or operates Video Lottery Terminals as that term is defined in Section 3770.21 of the Revised Code;
- A majority legal interest in the applicant business is owned by individuals who are under the age of eighteen.
- The applicant business is a hospital, ambulatory surgical center, private school or long-term care center;
- The applicant business is primarily engaged in the sale, cultivation or distribution of cannabis products;
- The applicant business is primarily engaged in the sale or distribution of liquor, not including restaurants or bars;
- The applicant business primarily sells tobacco products, cigarettes, electronic smoking devices, or vapor products as those terms are defined in Section 2927.02 of the Revised Code;
- The applicant business is a utility provider;
- The applicant business is a financial institution that makes loans or issues credit to the public, including, but not limited to, banks, credit unions, payday lenders, or any other similar business;
- The applicant business has not and will not, during the period beginning October 26, 2020 and ending on December 31, 2020, receive another grant under the SBRG.

Pease, CPAs will be providing updates as they occur so please continue to monitor our Economic Relief Resource center (<https://www.peasecpa.com/covid-19-resource-center/>) for the latest developing information.