



Landon Mance
Financial Planner
YourFuture Planning Partners



YourFuture Business Newsletter

Selected Business Provisions Included in the American Rescue Plan Act of 2021

On Thursday, March 11, President Biden signed into law the \$1.9 trillion American Rescue Plan Act of 2021 (ARPA, PL 117-2). The following are selected business provisions included in the Act.

Targeted Economic Injury Disaster Loan Advances

- ARPA provides approximately \$7.3 billion for the Paycheck Protection Program (PPP).
- In addition, the Act provisions expand program eligibility to several non-profits, as well as certain internet publishing organizations. Larger non-profit organizations cannot qualify for PPP.
- The Act provides \$15 billion for the Targeted Economic Injury Disaster Loan (EIDL) program and sets aside \$5 billion for entities with 50% or more revenue disruption and with 10 or fewer employees.
- A program to assist restaurants and other food and drinking establishments is created, providing \$28.6 billion in assistance.
- \$10 billion is available to the Treasury to restart the State Small Business Credit Initiative, which provides funding to states to use for state programs that lend to or invest in small businesses.

Expansion of Rule on Deduction of Compensation of Publicly Held Corporation Employees

- A publicly held corporation's compensation deduction is limited to \$1 million per year for compensation paid to any "covered employee." Under pre-ARPA law, the definition of "covered employee" only includes the corporation's principal executive officer, principal financial officer, the *three other highest-paid employees*, and anyone who was in one of those categories for any preceding tax year that begins after December 31, 2016.
- ARPA provides that for tax years that begin after December 31, 2026, the above rule is changed to provide that "covered employee" includes the *eight other highest-paid employees, rather than the three other highest-paid employees*.

However, the above rule regarding employees who were in one of the covered employee categories in preceding years, does not apply to employees who are covered employees only because of the new rule.

[YourFuture Planning Partners](#)
7477 W Lake Mead Blvd Ste 230, Las Vegas, NV 89128
(702) 569-7316

See How Financially & Mentally Ready You Are To Inevitably Leave Your Business:





Landon Mance

Financial Planner

YourFuture Planning Partners

7477 W Lake Mead Blvd, Suite 230 • Las Vegas, NV 89128

702-235-4804

www.yourfutureplanning.com

landon.mance@lfg.com

It is not our position to offer legal or tax advice. Landon Mance is a registered representative of Lincoln Financial Advisors Corp. Securities and investment advisory services offered through Lincoln Advisors Corp., a broker-dealer (member SIPC) and a registered investment advisor. Insurance offered through Lincoln affiliates and other fine companies. YourFuture Planning Partners is not an affiliate of Lincoln Financial Advisors Corp.

CRN-3512562-032921