

More Help Is on The Way—Congress Passes Another Stimulus Round

Last night (Dec. 21, 2020), the U.S. House of Representatives and then the U.S. Senate passed a long-debated \$900 billion stimulus package as part of broader overall government funding legislation. The bill now goes to the President's desk, and he has until December 28 to sign it into law (before the government funding lapses).

The stimulus bill, which has been the subject of months of political debate, is the second largest stimulus program in American history – behind only the CARES Act that was enacted earlier this year. Here are some of our key takeaways from the 5,593 pages of new legislation:

- **A second round of Paycheck Protection Program (PPP) loans, commonly referred to as “second draw” loans:** These loans generally are available to certain businesses that experienced a drop in revenue of at least 25% in any quarter in 2020 (when compared to 2019).
- **Congressional rejection of Treasury Department and IRS rulings that would have prevented tax deductions for expenses paid with PPP loan proceeds:** The Treasury/IRS positions would have effectively reduced the amount of PPP loans by taxing PPP loan proceeds used to pay deductible payroll and other expenses. Proceeds of PPP loans used for deductible expenses will now be deductible for income tax purposes.
- **Extension of federal unemployment benefits of \$300 per week through March 2021:** This includes an extension of unemployment benefits to independent contractors, gig workers, and self-employed individuals (benefits originally enacted via the CARES Act).
- **Eviction restrictions are extended through January 31, 2021, and there is a residential rent assistance program for past due and future rent and utility obligations.**
- **Expansion of the PPP loan program:** Nonprofits, local television stations, and other previously excluded groups can participate.
- **A ban on surprise medical billing was created.**

This legislation, which was released only hours before Congress voted, has been reported to be the longest bill ever passed by Congress. Considering this, our team is thoroughly reviewing the legislation for the details of the broad topics that are being widely reported on and discussed, as well as the finer details that may also affect our clients. Stay tuned in the coming days for additional articles that break down some of the topics we believe are most important to you.

And please contact [Jim Catanzaro](#), [Justin Furrow](#), or your relationship attorney if you would like more information on a particular subject.

Visit our COVID-19 Insight Center for our latest legislative and legal updates, articles, and resources.

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