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## Client Alert: Only Three Weeks Left (June 1) to Apply for Phase Two of the North Carolina Business Recovery Grant Program

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Corporate, Tax & Transactions

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### Download Client Alert: Only Three Weeks Left (June 1) to Apply for Phase Two of the North Carolina Business Recovery Grant Program

North Carolina is still providing support for businesses impacted by the COVID pandemic. However, time is running short for this latest round of funds. Phase Two of North Carolina's Business Recovery Grant Program is the latest grant being offered to businesses operating in North Carolina. However, you should move fast as applications for this latest round of funding must be submitted by **June 1<sup>st</sup>**, a mere three weeks away!

While North Carolina has pushed out newsletters, emails, social media alerts, and webinars, we've noticed that many businesses are unaware of this program. We at Shumaker want to alert you to this program to ensure you are able to access these funds if you meet the eligibility requirements.

#### Eligibility

This second phase of grant funding expands eligibility from prior grant programs. Businesses that were previously barred, possibly including your own, may be able to access funds in this second round. Even businesses that have already accessed funds through Phase One of this program may be eligible for additional funding.

Generally speaking, if you suffered a 20 percent loss by comparing (i) the period from March 1, 2019 through February 29, 2020 (the "Pre-COVID Period") to (ii) the period March 1, 2020 through February 28, 2021 ("COVID Period"), and you are subject to North Carolina income tax, you may be eligible for a relief grant under the program. For purposes of the grant, the loss between these two periods is determined by looking at gross receipts apportioned to North Carolina as reported on your state and federal returns.

#### Grant Amounts

Funds available to eligible businesses should be either 10 percent or 20 percent of your reported economic

loss (up to a maximum of \$500,000). Businesses that have accessed prior state or federal COVID-related funding will be limited to the 10 percent figure. Additional funds may be available for historically underutilized businesses, even if they aren't yet certified as such.

### Application

North Carolina encourages all businesses to review the eligibility criteria and the FAQs provided at <https://www.ncdor.gov/business-recovery-grant>. While paper applications are available, we recommend using the electronic application available from that website. Most importantly, remember that **the deadline is June 1, 2022**.

### Questions or Assistance

At Shumaker, we believe it is important that our clients are aware of all available assistance as we all move past the pandemic. However, we understand that you may have questions regarding eligibility and the Phase Two application. We stand ready to help you submit a correct and timely application for any grants for which you may be eligible. Jack Santaniello, Clayton Williams, and our entire team welcome your calls.