

Coronavirus Relief Fund Grants for Hawai'i Island Recovery Initiatives

Frequently Asked Questions – Non-profit and Business Grants

WHO IS ELIGIBLE TO APPLY?

- Non- profits and Businesses registered with the Hawai'i Department of Commerce and Consumer Affairs (DCCA).
- Non-DCCA Registered sole proprietorships that file an IRS Form 1040 Schedule C or F.
- Must have been established and registered for business with the State of Hawai'i prior to March 23, 2020, date of the Governor's 2003162-ATG Third Supplementary Proclamation issuing an Order stating "All Persons in the State Must Stay at Home or in Their Place of Residence" with the exceptions for essential business or operations.
- Must have 50 or fewer employees including full time, part time, and casual.

IS THIS A GRANT OR A LOAN?

- This is a reimbursement program, (One (1) time only), that offers up to \$10,000 to businesses that qualify with proof of payment for expenses being claimed

HOW DO I APPLY FOR THIS GRANT?

- Go to www.hawaiicounty.gov/cares or www.holomuahawaii.com. Be sure to read this FAQ document and the documentation requirements prior to beginning the application. You will need your Hawai'i State GET number for your application to be properly routed. The website will also inform you what personal and business information you should prepare beforehand as the actual Application will be handled by the Credit Union to which you will be directed.

CAN I SELECT WHICH CREDIT UNION TO GO FOR THE GRANT?

- No. Your grant application will be assigned to a Credit Union based on your General Excise Tax License number.
- To a speed of application and payment, participating Credit Unions have agreed to handle requests based on the last four digits of the Applicant's State GET number. You will be assigned to a credit union based your GET number.

HOW DO I KNOW WHICH CREDIT UNION IS WORKING ON MY GRANT APPLICATION?

- Contact the Credit Union that is assigned to the last four digits of your GET License. **NEW**

For Example: If your GET# is 3456789-01, the last four would be 8901, and your application would go to HawaiiUSA FCU.

Last four digits	Credit Union	Phone#
0000 - 1700	CU Hawaii Federal Credit Union	(808) 933-6700
1701 – 3400	HFS Federal Credit Union	(808) 930-1400
3401 – 4600	Hawaii County Employees Federal Credit Union	(808) 935-2969
4601 - 6600	Hawaii Community Federal Credit Union	(808) 930-7700
6601 - 8300	Big Island Federal Credit Union	(808) 935-6665
8301 - 9999	HawaiiUSA Federal Credit Union	(808) 844-8995
Non-Profit with no GET#	HawaiiUSA Federal Credit Union	(808) 844-8995

WHAT TYPES OF COSTS ARE REIMBURSABLE?

- Costs incurred from business interruption due to the COVID-19 Emergency Proclamations promulgated on March 23, 2020 for the period where the non-profit and business was impacted.
- Examples of expenditures include Rent, Payroll, non-Government Utilities, and costs incurred to meet requirements of social distancing and employee/customer safety such as provision of hand sanitizers, disinfecting, installation of barriers/protection devices, signs, and electronic/automation equipment.
- Medical insurance premiums, workers comp and other annual expenses that are required to operate the non-profit or business that is prorated for the period in which the entity was impacted by the public health emergency.

IF I FILE A SCHEDULE C, DOES MY NET PROFIT QUALIFY AS PAYROLL? **NEW**

- Yes. The 2019 Schedule C must be provided along with pages 1 and 2 of IRS form 1040. Proof of payment made to the business owner after March 23, 2020 must also be provided. The maximum amount that is reimbursable is calculated on a prorated basis using the 2019 net profit.

WHAT IS NOT REIMBURSABLE?

- Those costs in the listing for reimbursable expenses that have already been compensated for under Federally funded CARES Act funds such as Paycheck Protection Plan (PPP) or Economic Injury Disaster Loan (EIDL). Applicants must certify these funds, if received, did not pay for items being claimed.
- Taxes, except for taxes on sales, are not reimbursable.

WHAT ARE THE QUALIFICATIONS?

- For full listing, see www.hawaiicounty.gov/cares or www.holomuahawaii.com to get the most current updates.
- The program is for businesses and non-profits registered in the State of Hawai'i, and owners must be residents of the State of Hawai'i and business is located on Hawai'i Island and non-profits must employ residents of Hawai'i Island and provide direct services to the island's communities.
- 50 Employees or fewer.

CAN NON-PROFIT ORGANIZATIONS APPLY?

- Any non-profit registered with the IRS and/or State of Hawai'i regardless of type may apply and must employ residents of Hawai'i Island and provide direct services to the island's communities.

HOW LONG WILL IT TAKE TO KNOW MY APPLICATION HAS BEEN APPROVED? HOW LONG TO RECEIVE FUNDS?

- The Credit Union assigned to you have been requested to inform you of application approval or denial within three (3) working days, and any payment to be sent to you within seven (7) working days. High volume of applications and need to follow up with additional documentation may delay processing time.

HOW LONG WILL THIS PROGRAM LAST?

- As long as the CARES funds allocated to this program remain. By Federal Guidelines, all funds must be expended by December 30, 2020.

MUST I PAY TAX ON THIS GRANT?

- The Federal Government has not stated specifically what tax obligations result from receiving these grants. Applicant will need to fill out Form W-9 and will be issued a Form 1099.

CAN BUSINESSES LOCATED ON OTHER PARTS OF THE STATE OF HAWAII APPLY FOR THIS GRANT?

- The program is for businesses and non-profits registered in the State of Hawai'i, and owners must be residents of the State of Hawai'i and business is located on Hawai'i Island and non-profits must employ residents of Hawai'i Island and provide direct services to the island's communities.

DOES THE BUSINESS OWNER NEED TO RESIDE ON HAWAI'I ISLAND, OR JUST THE STATE OF HAWAI'I?

- Just in the state but must have a business located on Hawai'i island, expense reimbursement should only be for the Hawai'i island location.

IF A BUSINESS OPERATES OUT OF A NON-COMMERCIAL ADDRESS/TMK, IS THERE A PERCENTAGE CAP ON THE REIMBURSABLE AMOUNT OF MORTGAGE/RENT/UTILITIES PAYMENTS?

- The percentage cap would be equal to the percentage of the property used for business purposes.

ARE NON-DCCA-REGISTERED SOLE PROPRIETORS ELIGIBLE?

- Yes, as long as they have filed a 2019 IRS Form 1040 Schedule C or F.

WILL THE COUNTY PROVIDE ANY CALL CENTER SUPPORT FOR BUSINESSES WITH QUESTIONS REGARDING THE PROGRAM?

- No.

MUST THE BUSINESS BE IN GOOD STANDING WITH DCCA TO BE ELIGIBLE?

- No.

WHAT TYPES OF INSURANCE EXPENSES ARE REIMBURSABLE? (I.E. MEDICAL, DENTAL, PRESCRIPTION MEDICATION, MALPRACTICE, WORKER'S COMP, VEHICLE, FIRE, HURRICANE, HOMEOWNERS, ETC?)

- All insurance that is incidental to the business operation – Medical, dental, malpractice, worker's compensation, etc. – is reimbursable.

ARE OWNER DRAWS OR CONTRACT WORKER PAYMENTS (I.E. BUSINESS HIRES A MONTHLY BOOKKEEPER) WILL BE REIMBURSABLE?

- No, only payments to employees on payroll are reimbursable.

CAN HOME BASED BUSINESSES HAVE THEIR MORTGAGE PAYMENTS AND UTILITIES REIMBURSED?

- A percentage of the mortgage and utilities of a home-based business may be reimbursed, as long as an IRS Form 8829 is filed. This percentage will equal the percentage of the home that is being used for business.

ARE SHORT-TERM VACATION RENTALS (STVR) ELIGIBLE? **NEW**

Short-term vacation rentals are eligible to apply for the program.

- Eligibility requirements:
 - STVR documentation required:
 - TAT Tax filing TA-2 for 2019
 - County of Hawaii document showing 8-digit STVR Registration Number in this format: 19-XXXXXX or 20-XXXXXX.
 - Unhosted STVRs as defined in [Ordinance 18-114](#) are required to provide proof of County registration number.

- County of Hawaii registration number will not be required for hosted STVRs not covered under STVR Ordinance 18-114
 - Proof of payment for business expenses specific to the property.
- At this time only one (1) STVR per TMK will be approved.
- Must have filed Schedule C or IRS Form 1120 (S Corps and C Corps) or Schedule E with a **Business Type** as **Vacation/Short-Term Rental**.

ARE LONG-TERM RESIDENTIAL RENTALS ELIGIBLE?

- No. The applicant would be ineligible if the only “business” income is Schedule E rental income except as allowed in the STVR section above.

ARE BED-AND-BREAKFASTS ELIGIBLE? NEW

- Yes. Bed-and-Breakfasts, as defined in Hawaii County Code Section 25-4-7, are eligible to apply for the program.