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## CORONAVIRUS RELIEF

A coalition made up of the American Institute of CPAs (AICPA), the International Franchise Association (IFA) and two leading payroll processing companies, Paychex and Intuit, issued the following open letter to President Donald J. Trump, U.S. Treasury Sec

Mar. 22, 2020



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60 million people. We know the impact that layoffs have on workers' lives and business operations, so it's critical we keep as many people on the payroll as possible.

The problem: It takes time to create new processes to distribute funds to small businesses – speed is of the essence here. An efficient and effective process would be to leverage established small business payroll processing that is already in place and can be marshalled immediately to protect jobs and preserve resiliency within the small business sector.

Payroll processors produce approximately 40 percent of all payroll payments in the United States, and their customers are mostly small businesses of 500 employees or less. We urge the federal government to use these existing systems to direct funds to small businesses so they can make payroll and not shut down due to restrictions caused by the pandemic. In this scenario, the federal government could set up a central payroll funding account that small business payroll processors could utilize so that millions of small businesses could continue paying workers during this time of crisis.

This direct funding of payroll accounts will not solve all the funding problems currently facing small businesses, but it's a step in the right direction and has numerous benefits. It is a faster and more efficient process that does not require small businesses to get loans, and it ensures employees directly receive money. In addition, small businesses that use this federal funding facility would be required to maintain their workforce, which would dramatically reduce layoffs.

We believe multiple initiatives and tools are required to keep small businesses in operation. The direct payments and loans to small businesses will play an important role, but we recognize these will take weeks to implement. We are

also convinced that proposed direct payments to individuals will not prevent

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The program would not cover all small business employees, such as gig-economy workers, who would need to be supported through other measures. But we have the expertise and systems in place to help a significant part of the small business sector and its employees, many of whom are hourly workers who are most in need.

We want to help the federal government move quickly and aggressively, as we know that many employees who are laid off will not be rehired immediately. Small businesses will wind down operations, and it will be difficult to cycle back up. The pandemic will pass, but the economic impact will last. Ensuring we can rebound quickly is essential for the long-term health of our economy.”

Sincerely,

Barry C. Melancon, CPA, CGMA

President and CEO

AICPA

Martin Mucci

President and CEO

Paychex

Sasan Goodarzi

CEO

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