



## Advocacy in the Age of COVID-19 Q&A

- 1. I have heard some towns are shut down due to not being financially able to operate, which affects transfer tax stamp purchases. How can towns be financially unable to operate when they are government backed?**  
Municipalities are facing challenges with the state withholding revenue and decreased revenues within the communities due to COVID-19. A handful of municipalities have shut down due to staff being afflicted with the coronavirus. The good news is that most municipalities are attempting to function and adapt. The best thing to do is to check the municipal websites where you do business so you can be prepared in advance for any hurdles.
- 2. How are municipalities handling inspections, transfer tax, etc.**  
A. This depends upon the plan in place for the individual community. Some towns are not doing inspections, some do exteriors only, while others will do a virtual inspection. Many communities have a plan in place in order to facilitate the documents needed for a real estate closing. The best thing to do is to check the municipal websites where you do business so you can be prepared in advance for the temporary process in place.
- 3. What does Phase 4 look like (next phase in Federal Government bailout)?**  
A. Last week, the federal government announced a possible Phase 4 stimulus plan. It is said to possibly include funds aimed at infrastructure, federal remote notary language, and housing and forbearance counseling. NAR is working closely with legislators regarding this phase. Please refer to the NAR, IR, and Mainstreet Coronavirus websites for further information as it becomes available.
- 4. Regarding filing for unemployment, should I file with Illinois or the federal Payroll Protection Plan?**  
Independent contractors qualify for loans that can be 100% forgivable through the PPP. The best way to figure out your options through PPP is to contact a lender directly. You can find an approved lender at [www.sba.gov/paycheckprotection/find](http://www.sba.gov/paycheckprotection/find). The State of Illinois, nor any other state, does not have a plan in place to provide relief to independent contractors. The current system is funded through employer payroll taxes funneled to the state unemployment fund. Since independent contractors do not pay into this fund, a separate fund has been established through federal dollars.

According to Illinois REALTORS® in an email sent out on 4/14/2020, it stated, "Governor Pritzker said yesterday that IDES has hired a contractor to build a system to handle the claims of independent contractors, who have not been eligible for unemployment benefits until now. He also said to apply now and when the system is in place—projected to be no later than May 11—it will begin processing those claims. The most current direction on the IDES website says independent contractors should wait until the system is in place. As a result, it is uncertain that applying now is allowed. We will continue to provide updates on this situation and others as more information becomes available at [www.IllinoisRealtors.org/covid19](http://www.IllinoisRealtors.org/covid19)."
- 5. Is there any relief for individuals with non-FHA loans?**  
A. So far, the only relief through the federal government is for federally backed loans. Some private banks are offering forbearance on loans they hold. The best bet is to contact lenders directly to learn more about their programs.

- 6. On the eviction issue, can collection actions be started now that would lead to evictions down the road? What can I do to collect rent now?**
- A. While you cannot assess fees for non-payment during the forbearance period, the obligation to pay at the conclusion of the period is not alleviated. All monies owed will be due at the end of the forbearance period. Bear in mind this period may be extended again. If you are not collecting rents, it may be in all parties' best interest to work out a payment plan with the tenant(s) for the time being. Be sure to keep detailed records of non-payment and any communications with the tenant should you need to take action after the forbearance period. Also, consider the tenant. Are you dealing with a normally good tenant who is currently unemployed due to COVID-19, but once back to work can make amends?
- 7. I have heard that the stimulus checks are an advance on next year's tax refunds. Is this correct?**
- A. While this is technically an "advance," receipt of these funds will not impact your refund for next year.
- 8. Where can applications for the PPP be found, and how do I submit the application?**
- A. The application will be provided from your chosen lender. The link to lenders is found under the answer to Question #4 above. Some lenders may require additional forms.
- 9. If you have already tried to apply for unemployment and were denied, should you try again since the State of Illinois approved a program for independent contractors and the self-employed?**
- A. The Illinois Department of Employment Security (IDES) is currently creating a program to handle IC or gig workers seeking unemployment benefits. The current system is overwhelmed as well. Once the new program is in place, you can re-apply through that program. You can also apply now through the federal PPP program. Information is located above under Q&A for #3. Please also refer to Q&A in #4 for an update regarding the unemployment program for independent contracts.
- 10. Are NAR, IR, MORE, etc. working to get funding for 501(c)(6) entities which are not covered under PPP funding?**
- A. NAR is negotiating to include 501 (c) (6) entities in the Phase 4 stimulus package. It's too soon to tell if that will move forward.
- 11. Is the state doing anything about property taxes?**
- A. While the topic has come up, nothing definitive has been determined. Please consult the IR or Mainstreet websites for information daily.
- 12. License renewals...will those still be processed?**
- A. Renewals have been extended to September 30, 2020.
- 13. There were several questions concerning being the sole employee of an LLC or S-Corp, and whether you can apply for unemployment under the current system.**
- A. You can apply for both unemployment through IDES and PPP. Please note however that if you obtain assistance through one system, you must use those funds as income when applying for the other program. You cannot "double dip." It is also recommended that you seek the advice of your accountant if you decide to apply for both programs.
- 14. If the IRS doesn't have your direct deposit information, what can be done to more quickly obtain my stimulus check?**
- A. The best advice is to check with the IRS and their guidance on the issue. You can refer to <https://www.irs.gov/coronavirus/economic-impact-payment-information-center> for answers.
- 15. Are there any communities where closings are indefinite?**
- A. Every day is different concerning the municipalities throughout Mainstreet's jurisdiction. Communities that were unreachable one day might have a skeleton crew with a flexible arrangement the next day. The best course of

action is to follow up with the municipalities where you work often by visiting their website for updates.

**16. My accountant said that because we are listed as an essential business, we will not qualify for independent contractor benefits. Is this true?**

- A. The program, which will provide unemployment to those who work on commission, has not yet been created. The state is working to complete this process and its guidelines. NAR and IR have worked diligently to include REALTORS® in this program.