



TaxNewsFlash

United States



No. 2020-348
May 28, 2020

House passes bill, payroll tax deferral for taxpayers with forgiven PPP loans (COVID-19)

The U.S. House of Representatives today passed the “Paycheck Protection Program Flexibility Act of 2020” (H.R. 7010). The vote was 417 to 1.

The Paycheck Protection Program (PPP) was enacted as part of the *Coronavirus Aid, Relief, and Economic Security Act* (CARES Act) (Pub. L. No. 116-136), to provide lending to both small and large businesses.

The bill would make several important changes to the PPP, such as extending the time for the expenditure of funds and easing the requirement that 75% of funds be used for wages. A tax provision of the bill would amend the CARES Act to allow the deferral of payroll taxes without losing forgiveness of indebtedness under the PPP.

Read text of [H.R. 7010](#)

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