COVID-19 Relief Payment Fund and 2020 COVID-19 Mississippi Business Assistance Act

There are multiple potential funding options to assist small businesses in Mississippi. This publication reviews two funding mechanisms for small businesses in Mississippi: the Mississippi COVID-19 Relief Payment Fund and the 2020 COVID-19 Mississippi Business Assistance Act. These funding mechanisms are intended to support eligible businesses for costs connected to COVID-19, including business interruptions caused by forced closures or restricted operations resulting from voluntary closures to promote social distancing.

Mississippi COVID-19 Relief Payment Fund

Allows for direct payments of $2,000 to eligible small businesses. If you qualify, you will automatically receive payment from the state without application.

A small business must meet the following criteria to receive payment:

1. Had an EIN or a Social Security number and withholding account before March 1, 2020.
2. Have an NAICS Code from the list below. If you do not know your NAICS Code, click here to look it up:
   https://www.naics.com/search/
   • 4421 – Furniture Stores
   • 4422 – Home Furnishing Stores
   • 4481 – Mens Clothing Stores
   • 4482 – Shoe Stores
   • 4483 – Jewelry Stores
   • 4511 – Sporting Goods Stores
   • 4512 – Book Stores and News Dealers
   • 4531 – Florists
   • 4532 – Office Supply, Stationery, and Gift Stores
   • 4533 – Used Merchandise Stores
   • 4539 – Other Miscellaneous Store Retailers
   • 5121 – Motion Picture and Video Industries
   • 6116 – Other Schools and Instruction
   • 6244 – Child Day Care Services
   • 7111 – Performing Arts Companies
   • 7112 – Spectator Sports
   • 7131 – Amusement Parks and Arcades
   • 7139 – Other Amusement and Recreation Industries
   • 7225 – Restaurants and Other Eating Places
   • 8121 – Personal Care Services
3. Was subject to any COVID-19-related state, municipal, and/or county required business closure or voluntary closure.
4. Filed Mississippi taxes for tax year 2018 or 2019; or, for an eligible business formed on or after January 1, 2020, intends to file Mississippi taxes for tax year 2020, unless exempt under Mississippi Code Section 27-7-29, Section 27-13-63, or other applicable provision of law.
5. Had no more than 50 full-time equivalent employees as of March 1, 2020.
6. Is not a subsidiary of a business with more than 50 full-time equivalent employees, is not part of a larger business enterprise with more than 50 full-time equivalent employees, and is not owned by a business with more than 50 full-time equivalent employees.

2020 COVID-19 Mississippi Business Assistance Act

Applications required. The Back to Business Mississippi grant program will be live Thursday, June 11, at noon and available online at backtobusinessms.org.

Eligible businesses that were subject to required or voluntary closure due to COVID-19 may receive additional compensation by applying for the Back to Business Mississippi Grant Program to be administered by the Mississippi Development Authority. See Executive Order 1463 for details on what businesses were deemed essential and were not required to close: https://www.sos.ms.gov/Education-Publications/ExecutiveOrders/1463.pdf.
There will be a base payment of $1,500 from this program. Eligible businesses may receive additional funds by claiming an additional $500 per full-time equivalent employee employed as of March 1, 2020, or by itemizing eligible expenses on the application form. The total payment to an eligible business may not exceed $25,000.

Any payment received by an eligible business will be reduced by the amount of any Paycheck Protection Program (PPP) funds, Economic Injury Disaster Loan (EIDL) Emergency Advance funds up to a maximum of $10,000, and business insurance proceeds received by the business, as long as this reduction is not more than half of the award amount. For example, if a business's application were to total $10,000 but the business had already received $10,000 through PPP, $5,000 of the grant would be offset and the business would receive only $5,000 through the 2020 COVID-19 Mississippi Business Assistance Act.

**Eligibility**

Businesses must meet the following criteria to be eligible:

1. For-profit corporation, limited liability company, partnership, or sole proprietorship.
2. Domestic as of March 1, 2020.
3. In good standing with the Secretary of State, if applicable.
5. Have a controlling interest owned by one or more Mississippi residents, whether individual resident citizens or Mississippi domestic business entities.
6. Filed Mississippi taxes for tax year 2018 or 2019; or, for an eligible business formed after January 1, 2020, intend to file Mississippi taxes for tax year 2020, unless exempt under Mississippi Code Section 27-7-29, Section 27-13-63, or other applicable provisions of law.
7. Have customers or employees coming to its physical premises; conduct business on customer premises; or have an owner that is an active participant in the day-to-day operations of the business.
8. Had no more than 50 full-time equivalent employees as of March 1, 2020.
9. Is not a subsidiary of a business with more than 50 full-time equivalent employees, is not part of a larger business enterprise with more than 50 full-time equivalent employees, and is not owned by a business with more than 50 full-time equivalent employees.
10. Does not exist for the purpose of advancing political activities, does not directly lobby federal or state officials, and has not employed or otherwise worked with a lobbyist as defined in Mississippi Code Section 5-8-3 in any way at any point during 2020.
11. Does not derive income from passive investment without active participation in business operations.

**Definitions for the Back to Business Mississippi Grant Program**

**Interruption of business** — Disruption of regular business operations resulting from required or voluntary closure related to COVID-19.

**Public health measure** — Any action reasonably taken to prevent the spread of COVID-19 in the workplace.

**Eligible expense** — Cost incurred by an eligible business for public health measures or due to interruption of business. **DOES NOT INCLUDE LOST PROFITS.**

All eligible expenses must align with guidelines of the United States Department of the Treasury and are subject to amendments. Eligible expenses include the following:

1. Mortgage interest (no more than a 2-month period).
2. Rent payroll (no more than a 2-month period).
3. Utilities (no more than a 2-month period).
4. Other COVID-19-related expenses required by law (no more than a 2-month period).