

FINANCIAL SERVICES

## Alternative options for US consultants and small brands not eligible for PPP or EIDL funding

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Businesses across nearly every industry are facing challenging times. And while there has been a lot of attention and noise around government funding assistance, not every entrepreneur finds himself or herself in a position to take advantage of such resources.

Many small businesses may not qualify for an **Economic Injury Disaster Loan (EIDL)** or a **Paycheck Protection Program (PPP) loan** due to limited availability and **eligibility requirements**.

However, there are still ways to drive revenue for your business during the coronavirus pandemic.

Here are suggestions:

1. Defer payroll tax and employee retention credit

The Coronavirus, Aid, Relief and Economic Security Act, otherwise known as the CARES Act, allows employers to defer the deposit and payment of the employer's share of Social Security taxes and self-employed individuals to defer payment of certain self-employment taxes. This applies to taxes incurred between March 27, 2020, through Dec. 31, 2020.

2. Consider the Employee Retention Tax Credit

The Employee Retention Tax Credit is a refundable tax credit designed to encourage employers to keep employees on their payroll. Businesses can claim 50 percent of up to \$10,000 in wages paid by an employer whose business is fully or partially suspended because of COVID-19 or whose gross receipts decline by more than 50 percent. The credit is available to employers regardless of size and is not open to those who have qualified for PPP funding. You can find more information here: <https://www.irs.gov/coronavirus/employee-retention-credit>

3. Seek out state and local assistance options

Assistance programs or exemptions to help with financial impacts during this pandemic may have recently been developed in your city or state. In fact, many states have established small business loan assistance programs and even extended income tax filing deadlines, paused evictions or more. Check the [Innovative Lending Platform Association \(ILPA\)](#) for a compiled list of state and local government assistance programs exemptions.

#### 4. Change up business practices

The world as we know it has changed and it is likely your business will need to adapt to "new normals." Now might be the time to change your business model. Consider adding services or products that are in high demand, selling products online, and offering takeout or delivery, for example. By adapting and getting creative in the current situation, you build customer loyalty by ensuring customers that you can still offer what they want or need.

#### 5. Incentivize your business

Right now, finances are a concern to most everyone, therefore providing your customer base with a good deal can help not only create much needed business but also provide goodwill for your company. Offering temporary discounts and promotions are also a smart way to build a base of new customers to offset slower sales. When things settle down, you can work to convert those new customers into full-price, loyal customers.

#### 6. Find investors through NASAA

[Intrastate crowdfunding resources for small businesses](#) are available through The North American Securities Administrators Association (NASAA). With the help of NASAA, small businesses and start-ups can crowdfund to entice investors who can provide the necessary capital to help their business succeed. The amount of funds a business can raise as well as individual investment limits are determined by each state's crowdfunding laws, so make sure to research those to get a realistic idea of how much you can potentially raise.

#### 7. Sell services now, deliver goods later through gift card sales

A quick way to get immediate revenue is to sell gift cards or certificates for future use. A number of directory Web sites have been created to provide consumers the opportunity to find businesses that offer gift cards for sale. [Instagram](#) has added new buttons and stickers to encourage gift card purchases, fundraiser donations and deliveries from third-party apps. Set up your links to your preferred delivery partner, gift certificate page and fundraiser so your loyal customers can repost on their own stories and hopefully earn you new ones.

#### 8. Consider crowdsourcing

"We're all in this together" is a welcoming slogan in these difficult times. With that said, more people are willing to help their community when they can. While crowdsourcing is not always a foolproof method to gaining revenue, many small businesses have started [Go Fund Me](#) campaigns to not only help their businesses but to ensure that their employees still have a source of income should they be temporarily out of work. Promote your Go Fund Me to family, friends and loyal patrons, and make sure, you describe what the funds will be used for: to cover operation costs or employee costs, for example.

EVEN IF YOUR small business does not qualify for either [EIDLs or the PPP loans](#), there are still unique ways to gain revenue during these difficult times.

Hopefully, with these eight methods, you can keep operations running so your business can come back and thrive as time goes on and the situation improves.

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