
CLIENT ADVISORY

JIM DIETZ TO SPEAK TO OHIO SOCIETY OF CPAs

Jim Dietz will be the attorney speaker and panelist at the Ohio Society of CPAs' August 6, 2009 Advisor RoundTable: Insurance Insights in the Evolving Economy, speaking on practical insurance implications for advisors. Jim chairs the firm's Probate and Estate Planning practice group.

SBA HARDSHIP LOANS-AMERICA'S RECOVERY CAPITAL PROGRAM

On June 15, 2009, the Small Business Administration began accepting applications for America's Recovery Capital (ARC) loans. According to the SBA's statement on June 15, the loans, up to \$35,000, are designed for small businesses to "keep their doors open until they get back on track" and are to be used for payments of principal and interest for qualified debt, such as mortgages, capital leases, lines of credit, credit card debt and debts/payables to suppliers, vendors and utility companies. The loans, made by banks, have no loan fees, are 100% guaranteed by the SBA, and have payments on the loan deferred for one year, after which the loan is repaid over five years.

**SBA 504 LOANS (REAL ESTATE AND OTHER FIXED ASSETS) CAN NOW INCLUDE
SOME DEBT REFINANCING**

Effective June 23, 2009, SBA regulations expanded the definition of "Eligible Project Costs" that can be financed with an SBA guaranteed 504 loan in cases involving expansion by a small business applicant to include any amount of existing indebtedness that does not exceed 50 percent of the cost of the expansion. The American Recovery and Reinvestment Act of 2009 amended the Small Business Investment Act ("SBI Act") to permit debt refinancing under certain circumstances as part of the 504 Certified Development Company (CDC) Loan Program. The regulations effective on June 23, 2009 implemented the February 2009 amendment of the SBI Act.