



Q&A from January 11, 2023 OBR Webinar (Updated 1/12/2023)

Eligibility Questions

1. Did she say that the business had to have a minimum of \$75K in 2019? Is there a cap on Rev for the Grant?

A business would need to have between \$75,000 and \$5 million in gross revenue in 2019 to qualify for this grant.

2. Do UBER drivers qualify for this? How about for child care providers? They may not make \$75K. The cut off amount \$75K does not make sense.

Kindly refer to question 1. The minimum is \$75k.

3. Do both 2020 and 2021 have to meet the 25% reduction? What if you only lost revenue in 2021?

We recommend you complete the [Net Income Calculation Form](#). You would need to demonstrate a net income loss of at least 25% in both years. You could still have net income in both years, it would just need to be at least 25% less than in 2019.

4. Taxpayer had a \$5,000 loss for 2019. Therefore, the taxpayer would not be eligible for the grant. Is this correct?

We recommend you complete the [Net Income Calculation Form](#). You would need to demonstrate a net income loss of at least 25% in both years. You could still have a net loss in both years, it would just need to be at least 25% greater than your net loss in 2019.

5. Eligibility is based on 2019 gross revenue, not net right? Is the 5 million based on Rev or Net income? If I had an increase in income and increase of expenses to a loss of 25%, is that the same?



The eligibility is based on your ability to demonstrate a decrease in net income or loss from your 2019 net income or loss. The grant size you are eligible to receive is based on your gross revenue for 2019.

6. What if we do not qualify for 2020 because we received help from the CARES act?

You may still qualify for the grant even if you received CARES act funding. We recommend you complete the [Net Income Calculation Form](#) as any funding you received will have to be factored in.

7. Is this grant exclusively for for-profit businesses, or may non-profits apply?

Yes, this grant is for for-profit businesses. The City and County of Honolulu is administering a different grant for non-profits.

8. I have an APPLICATION FOR REGISTRATION OF TRADE NAME, yet being since I opened my business in 2019, I was told I cannot get a certificate of good standing now. Is there anything I can do about this?

Please check back next week for an update.

9. Do we list owners as employees?

Yes, if the owners are included as an employee on the businesses 2019 Form 941.

10. If the business is on a payment plan to pay prior year taxes, does this qualify as being current on the taxes?

Yes, if the business is on a payment plan to pay, that qualifies as being current on taxes.



Application/Tax Return Questions

- 1. Is the application that I saw on your website the application or will there be a fillable one available on the 30th?**

The application portal will open on January 30, 2023. It will be fillable online. The [PDF application](#) currently on the website is for informational purposes only.

- 2. Please consider having the application available for the public access before 1/30th for small business owners to prepare.**

There is a [PDF version of the application](#) currently on the website to allow small business owners to gather the documents necessary to prepare to complete the application once the application portal opens on January 30, 2023.

- 3. The calculation for net income should be rendered available prior 1/30th.**

The [Net Income Calculation Form](#) is currently available on the website.

- 4. Where can I find the PDF file for the application now?**

The application can be found on the website: <https://www.oahubizgrant.org>

- 5. Is that calendar year or the applying business's fiscal year? What if your tax year is not the same as calendar year?**

You should use the year that you use to file your tax returns. For example, if your fiscal year is July 1 to June 30, 2019, you would use the tax return for that year that will have been filed on 2018 IRS forms.

- 6. What about businesses who use a PEO, thus the 941 will be for the PEO? Will a letter from the PEO qualify?**

Yes.



7. Where to access applications in different languages?

The translated applications can be found on the website: <https://www.oahubizgrant.org>

8. Is there a “form” attestation to submit if your business has no employees? Where can we find this?

The attestation form will be available within the application portal and can also be found on the website: <https://www.oahubizgrant.org/>

9. Do you require all pages of the tax returns? Our tax return is about 300 pages, and 30 mb file. Will this be ok to upload?

Please upload your complete tax return. The maximum file size for a single upload is 400 MB; the maximum submission size for an application is 800 MB (total files submitted with one application must not exceed 800mb).

10. Form 941 just the 4th quarter?

You can use any Form 941 from 2019 demonstrating 500 or less employees.

11. How do you handle where the applicant is part of a consolidated return?

Please use the taxable net income for just the subsidiary that is applying.

12. If tax return for fiscal year 2021 is not filed yet, what else can we use?

To be eligible, a business must submit their tax returns for 2019, 2020, and 2021.

13. For partnerships, do you need K-1? or just 1065 or N20 and attachments?

The Schedule K-1 is a part of the Form 1065. Please upload your complete federal tax return, including supporting schedules.



Net Income Calculation Questions

1. **Can we exclude PPP Grants to calculate the Net Income? For clarification - are PPP loans added in as net income?**

Please reference the [Net Income Calculation Form](#) on the website. PPP loan forgiveness should be added back to taxable net income, since it should have been excluded from net income reported on your federal income tax return.

2. **Do we enter grants previously received under our fiscal year if different from calendar year? Do prior grants (PPP/ SBRRF) add to qualifying years (2020,21)?**

Please include all grants received in the fiscal year it was received.

3. **Just want to confirm that PPP and SVOG need to be included in net income calculations?**

Yes, these should be added back to taxable net income since they should have been excluded from net income reported on your federal income tax return.

Miscellaneous

1. **When are the next 2 presentations? 1/19 at 1:30pm and 1/20 at 5:30pm?**

The next 2 presentations will be on Thursday, January 19, 2023 at 1:30pm HST and Wednesday, January 25, 2023 at 7pm HST. Both presentations will also be recorded and available for future viewing. For more detailed information, go to www.oahubizgrant.org.

2. **Can we please have the website for all of the different proclamations that our business would apply to?**

<https://www.honolulu.gov/mayor/proclamations-orders-and-rules.html>