



## COVID-19 HOSPITALITY INDUSTRY RECOVERY PROGRAM (CHIRP)

### What Do I Need to Prepare for the Berks County COVID-19 Hospitality Industry Recovery Program? (As of April 22, 2021. Subject to change.)

The online grant application for round 2 will open at Noon on April 26, 2021 and close at 5PM on Monday, May 17, 2021.

To prepare, the following items will be necessary to have on hand to complete the application. There is a reference guide in Appendices A, B, C and D for where you can find certain information on your tax return. **You MUST submit the following information.**

#### APPLICANTS SHOULD GATHER THE FOLLOWING PRIOR TO APPLYING (IN ELECTRONIC FORMAT):

- Internal Financial Statement or Summary of April 1-December 31, 2019 Revenues
- Internal Financial Statement or Summary of April 1-December 31, 2020 Revenues
- 2019 Federal Tax Return
  - *ONLY If your business opened between January 1-February 15, 2020, you must submit your 2020 Federal Tax Return.*
- If entity within 722 NAICS Code – a .pdf or .jpeg photo of PA Department of Agriculture, City of Reading, or Muhlenberg Township food facility license
- If entity within 721 NAICS Code - a .pdf or .jpeg photo of license to municipal business license, occupancy permit or PA Department of Revenue Sales Tax Certificate

#### GENERAL INFORMATION

- Entity Legal Name & Business Name or Doing Business As (d/b/a)
- EIN (or SSN, if applicable) and Business Type (C-Corp, S-Corp, LLC, etc.)
- NAICS Code
  - *See Appendix A for Tax Return Line References and description of the NAISC Codes– You may only apply for this grant if your NAICS code begins with 721 or 722.*
- Brief Description of Business
- Number of Employees
- Business Address & Business Municipality
- Primary Contact Name/Title/Phone/Email (Person completing application)
  - Name(s) of Business Owner(s) and % of Ownership for each
- W9 statement

#### FINANCIAL INFORMATION

- Description of the Current Impact of COVID-19 on Operations
- Grant Application Financial Information
  - Revenue Generated April 1-December 31, 2019
  - Revenue Generated April 1-December 31, 2020
    - *FOR ABOVE REFERENCED ITEMS: Internal Financial Statement Preferred or Provide a Report of Monthly Revenue (April 1-December 31) Including Total Revenue That Matches Amounts Reported*
    - *A computer-generated profit & loss statement for the requested months or a copy of the e-tides sales tax reports for the requested months is acceptable.*
    - *You may be required to submit quarterly statements if you did not sustain a 25% revenue loss for the overall April-December timeframe.*
  - Gross Revenue Reported on 2019 Tax Return: *See Appendix B for Tax Return Line References*
  - Total Operating Expenses on 2019 Tax Return: *See Appendix C for Tax Return Line References*
  - Net Profit/(Loss) Reported on 2019 Tax Return: *See Appendix D for Tax Return Line References*

- Amount of Grant Request
  - Grant awards will be determined based on *the lesser of: 1) the category for each applicant based on Annual Revenues or 2) the eligible operating expenses incurred between March 1, 2020 and date of application.*

ANNUAL REVENUES (2019)	GRANT AMOUNT (Per Applicant)
Up to \$50,000	\$5,000
\$50,001 - \$100,000	\$10,000
\$100,001 - \$250,000	\$15,000
\$250,001 - \$500,000	\$20,000
\$500,001 - \$750,000	\$25,000
\$750,001 - \$1,000,000	\$30,000
\$1,000,001 - \$1,250,000	\$35,000
\$1,250,001 - \$1,500,000	\$40,000
\$1,500,001 - \$2,000,000	\$45,000
\$2,000,000+	\$50,000

- Summary of Proposed Use of Grant – An Operating Expenses Spreadsheet is provided in Appendix E to assist with calculation of operating expenses that have been incurred between March 1, 2020 and the date of the grant application submission. ***The identified Operating Expenses must not have already been covered under any other payment, reimbursement or loan forgiveness from any CARES Act or Consolidated Appropriations, 2021 funding or any other loan or grant related to COVID-19.***

#### REDUCTION IN REVENUE TEST

- Applicant must have experienced a reduction in revenue in calendar year 2020 under **one** of the following:
  - (i) The applicant had gross receipts during the first, second, third or fourth quarter in calendar year 2020 that demonstrate at least a 25% reduction from the applicant's gross receipts during the same quarter in calendar year 2019, or
  - (ii) The applicant was not in business during the first or second quarter of calendar year 2019, but was in business during the third and fourth quarters of calendar year 2019, the applicant had gross receipts during the first, second, third or fourth quarter of calendar year 2020 that demonstrate at least a 25% reduction from the applicant's gross receipts during the third or fourth quarter of calendar year 2019, or
  - (iii) The applicant was not in business during the first, second or third quarter of calendar year 2019, but was in business during the fourth quarter of calendar year 2019, the applicant had gross receipts during the first, second, third or fourth quarter of calendar year 2020 that demonstrate at least a 25% reduction from the fourth quarter of calendar year 2019, or
  - (iv) The applicant was not in business during calendar year 2019, but was in operation on February 15, 2020, the applicant had gross receipts during the second, third or fourth quarter of calendar year 2020 that demonstrate at least a 25% reduction from the gross receipts of the entity during the first quarter of calendar year 2020, or
  - (v) The applicant that was in operation in all four quarters of calendar year 2019 is deemed to have experienced the revenue reduction in annual receipts of at least 25% in 2020 compared to 2019 and the applicant can provide 2019 and 2020 annual Federal tax forms substantiating the revenue decline.

## APPENDIX A

### NAICS Code – Line References

FORM	FORM TITLE	2019 Line References	
Schedule C	Profit or Loss From Business	Box B	Enter code from instructions
Schedule C-EZ	Net Profit From Business	Box B	Enter code from instructions
Schedule F	Profit or Loss From Farming	Box B	Enter code from Part IV
Form 1065	U.S. Return of Partnership Income	Box C	Business code number
Form 1120S	U.S. Income Tax Return for S-Corporation	Box B	Business activity code number
Form 1120	U.S. Corporate Income Tax Return	Page 4, Schedule K, Line 2a	Business activity code number

## 2017 NAICS Definitions

72 Accommodation & Food Services -- The Accommodation and Food Services sector comprises establishments providing customers with lodging and/or preparing meals, snacks and beverages for immediate consumption.

### Sub-Sector Codes & Descriptions

721 Accommodation

722 Food Services & Drinking Places

<https://www.naics.com/company-lookup-tool/>

<u>Codes</u>	<u>Titles</u>
<a href="#">72</a>	<a href="#">Accommodation and Food Services</a>
<a href="#">7211</a>	<a href="#">Traveler Accommodation</a>
<a href="#">721110</a>	<a href="#">Hotels (except Casino Hotels) and Motels</a>
<a href="#">721120</a>	<a href="#">Casino Hotels</a>
<a href="#">721191</a>	<a href="#">Bed-and-Breakfast Inns</a>
<a href="#">721199</a>	<a href="#">All Other Traveler Accommodation</a>
<a href="#">7212</a>	<a href="#">RV (Recreational Vehicle) Parks and Recreational Camps</a>
<a href="#">721211</a>	<a href="#">RV (Recreational Vehicle) Parks and Campgrounds</a>
<a href="#">721214</a>	<a href="#">Recreational and Vacation Camps (except Campgrounds)</a>
<a href="#">7213</a>	<a href="#">Rooming and Boarding Houses, Dormitories, and Workers' Camps</a>
<a href="#">721310</a>	<a href="#">Rooming and Boarding Houses, Dormitories, and Workers' Camps</a>
<a href="#">7223</a>	<a href="#">Special Food Services</a>
<a href="#">722310</a>	<a href="#">Food Service Contractors</a>
<a href="#">722320</a>	<a href="#">Caterers</a>

<a href="#"><u>722330</u></a>	<a href="#"><u>Mobile Food Services</u></a>
<a href="#"><u>7224</u></a>	<a href="#"><u>Drinking Places (Alcoholic Beverages)</u></a>
<a href="#"><u>722410</u></a>	<a href="#"><u>Drinking Places (Alcoholic Beverages)</u></a>
<a href="#"><u>7225</u></a>	<a href="#"><u>Restaurants and Other Eating Places</u></a>
<a href="#"><u>722511</u></a>	<a href="#"><u>Full-Service Restaurants</u></a>
<a href="#"><u>722513</u></a>	<a href="#"><u>Limited-Service Restaurants</u></a>
<a href="#"><u>722514</u></a>	<a href="#"><u>Cafeterias, Grill Buffets, and Buffets</u></a>
<a href="#"><u>722515</u></a>	<a href="#"><u>Snack and Nonalcoholic Beverage Bars</u></a>

## 2017 NAICS Definitions

The information below comes from <https://www.census.gov/naics/>. Potential applicants are encouraged to review the information below and to visit the above reference website to learn more about NAICS codes.

- 721 Accommodation:** Industries in the Accommodation subsector provide lodging or short-term accommodations for travelers, vacationers, and others. There is a wide range of establishments in these industries. Some provide lodging only, while others provide meals, laundry services, and recreational facilities, as well as lodging. Lodging establishments are classified in this subsector even if the provision of complementary services generates more revenue. The types of complementary services provided vary from establishment to establishment. The subsector is organized into three groups: (1) traveler accommodation, (2) recreational accommodation, and (3) rooming and boarding houses, dormitories, and workers' camps. The Traveler Accommodation industry group includes establishments that primarily provide traditional types of lodging services. This group includes hotels, motels, and bed-and-breakfast inns. In addition to lodging, these establishments may provide a range of other services to their guests. The RV (Recreational Vehicle) Parks and Recreational Camps industry group includes establishments that operate lodging facilities primarily designed to accommodate outdoor enthusiasts. Included are travel trailer campsites, recreational vehicle parks, and outdoor adventure retreats. The Rooming and Boarding Houses, Dormitories, and Workers' Camps industry group includes establishments providing temporary or longer-term accommodations, that for the period of occupancy, may serve as a principal residence. Board (i.e., meals) may be provided but is not essential. Establishments that manage short-stay accommodation establishments (e.g., hotels and motels) on a contractual basis are classified in this subsector if they both manage the operation and provide the operating staff. Such establishments are classified based on the type of facility managed and operated.
- 722 Food Services and Drinking Places:** Industries in the Food Services and Drinking Places subsector prepare meals, snacks, and beverages to customer order for immediate on-premises and off-premises consumption. There is a wide range of establishments in these industries. Some provide food and drink only, while others provide various combinations of seating space, waiter/waitress services, and incidental amenities, such as limited entertainment. The industries in the subsector are grouped based on the type and level of services provided. The industry groups are Special Food Services, such as food service contractors, caterers, and mobile food services; Drinking Places (Alcoholic Beverages); and Restaurants and Other Eating Places. Food and beverage services at hotels and motels, amusement parks, theaters, casinos, country clubs, similar recreational facilities, and civic and social organizations are included in this subsector only if these services are provided by a separate establishment primarily engaged in providing food and beverage services. Excluded from this subsector are establishments operating dinner cruises. These establishments are classified in Subsector 487, Scenic and Sightseeing Transportation, because they utilize transportation equipment to provide scenic recreational entertainment.

## APPENDIX B

### Gross Revenue Reported – Tax Line References

FORM	FORM TITLE	2019 Line References	
Schedule C	Profit or Loss From Business	Line 1	Gross Receipts
Schedule C-EZ	Net Profit From Business	Line 1	Gross Receipts
Schedule F	Profit or Loss From Farming	Line 9	Gross Income
Form 1065	U.S. Return of Partnership Income	Line 1a	Gross Receipts
Form 1120S	U.S. Income Tax Return for S-Corporation	Line 1a	Gross Receipts
Form 1120	U.S. Corporate Income Tax Return	Line 1a	Gross Receipts

## APPENDIX C

### Total Operating Expenses Reported – Tax Line References

FORM	FORM TITLE	2019 Line References	
Schedule C	Profit or Loss From Business	Line 28	Total Expenses
Schedule C-EZ	Net Profit From Business	Line 2	Total Expenses
Schedule F	Profit or Loss From Farming	Line 33	Total expenses
Form 1065	U.S. Return of Partnership Income	Line 21	Total Deductions
Form 1120S	U.S. Income Tax Return for S-Corporation	Line 20	Total Deductions
Form 1120	U.S. Corporate Income Tax Return	Line 27	Total Deductions

## APPENDIX D

### Net Profit/(Loss) Reported – Tax Line References

FORM	FORM TITLE	2019 Line References	
Schedule C	Profit or Loss From Business	Line 29	Net profit or (loss)
Schedule C-EZ	Net Profit From Business	Line 3	Net profit
Schedule F	Profit or Loss From Farming	Line 34	Net farm profit or (loss)
Form 1065	U.S. Return of Partnership Income	Line 22	Ordinary business income or (loss)
Form 1120S	U.S. Income Tax Return for S-Corporation	Line 21	Ordinary business income or (loss)
Form 1120	U.S. Corporate Income Tax Return	Line 28	Taxable income before net operating loss deduction