

Friday, April 9, 2021

To: New York Community Banks

## FROM ICBA

### ICBA urges improvements to EIP delivery

ICBA and other groups recommended improvements to how the IRS issues Economic Impact Payments.

**Payment Portal:** In a [joint letter](#), the groups called on the IRS to provide more timely updates to the Get My Payment portal and reinstate the ability of taxpayers to update bank account info on the portal. They also urged the agency to state on the portal that financial institutions do not have access to recipient information and that information provided by the portal may be inaccurate.

**Temporary Accounts:** The letter also asks the government to reiterate its request for tax preparers to return EIPs sent to temporary bank accounts. Some tax companies continue to forward these payments to taxpayers' bank accounts, though financial institutions cannot distinguish these payments as EIPs because there is no standard for forwarded payments.

### IRS issues guidance on food, beverage deduction

The IRS [issued guidance](#) on a temporary exception to the 50 percent limit on the amount that businesses may deduct for food or beverages.

**Background:** The Taxpayer Certainty and Disaster Relief Act of 2020 allows a 100 percent deduction for food or beverages from restaurants from Jan. 1, 2021, through Dec. 31, 2022.

**Details:** Businesses can claim the deduction as long as the owner or an employee is present when food or beverages are provided and the expense is not deemed lavish or extravagant.

## FROM OTHER SOURCES

- Fed Chairman Powell said despite the promising vaccination rollout in the United States and other wealthy countries, the world will be at risk for new mutations of the coronavirus "until the world, really, is vaccinated," noting emerging market economies are far behind and that will hinder confidence and economic growth. Powell also stressed the uneven nature of the pandemic recovery, pointing to lower-income service workers who have taken the hardest hits on job losses. ([The New York Times](#))
- On the first day nightclubs, movie theaters and other arts organizations hurt by the pandemic could apply for \$16 billion in federal aid, the system malfunctioned. No applications got through. . . Shortly after 4 p.m., the Small Business Administration — which runs the initiative, the Shuttered Venue Operators Grant program — abandoned its effort to salvage the broken system and shut down it down for the day. No applications were processed.  
[https://www.nytimes.com/2021/04/08/arts/music/svog-grant-application.html?mkt\\_tok=ODUwLVVBQSQ01MTEAAAF8VXeKqKbIEafA07Qxcdqp7b5XuWDX0xGlv-P5tI\\_Sdm9MKuKLS\\_TwNJqA\\_RQBbnebioHPoDRogzResfIWTwFtTop4N4NypPMTfo2FCCDm4fGLz](https://www.nytimes.com/2021/04/08/arts/music/svog-grant-application.html?mkt_tok=ODUwLVVBQSQ01MTEAAAF8VXeKqKbIEafA07Qxcdqp7b5XuWDX0xGlv-P5tI_Sdm9MKuKLS_TwNJqA_RQBbnebioHPoDRogzResfIWTwFtTop4N4NypPMTfo2FCCDm4fGLz)
- The Biden administration again extended a federal moratorium on evictions last week. The year-old federal moratorium has now been extended through June 30, but conflicting court rulings on whether the ban is legal, plus the difficulty of rolling out nearly \$50 billion in federal aid, mean the country's reckoning with its eviction crisis may come sooner than expected.  
[https://www.washingtonpost.com/business/2021/04/08/biden-renters-cdc-eviction-moratorium/?mkt\\_tok=ODUwLVVBQSQ01MTEAAAF8VXeKqKbIEafA07Qxcdqp7b5XuWDX0xGlv-P5tI\\_Sdm9MKuKLS\\_TwNJqA\\_RQBbnebioHPoDRogzResfIWTwFtTop4N4NypPMTfo2FCCDm4fGLz](https://www.washingtonpost.com/business/2021/04/08/biden-renters-cdc-eviction-moratorium/?mkt_tok=ODUwLVVBQSQ01MTEAAAF8VXeKqKbIEafA07Qxcdqp7b5XuWDX0xGlv-P5tI_Sdm9MKuKLS_TwNJqA_RQBbnebioHPoDRogzResfIWTwFtTop4N4NypPMTfo2FCCDm4fGLz)

- [The head of the Centers for Disease Control and Prevention](#) says she expects all students to be back in classrooms this fall.
- Nations around the world set new records Thursday for COVID-19 deaths and new coronavirus infections, and the disease surged even in some countries that have kept the virus in check. [Read More](#)
- "America's financial titans" are coming to a consensus: We are on the early edge of the biggest economic boom since World War II, with the promise of years of growth after the privation of the pandemic. . . all point to the same data: This expansion will be kickstarted by trillions in spending from presidents Trump and Biden, the Fed's easy money, and piles of cash that consumers and companies accumulated during COVID shutdown. [https://www.axios.com/newsletters/axios-am-ab10c6e6-0a13-419e-ac0e-705c58232966.html?utm\\_source=newsletter&utm\\_medium=email&utm\\_campaign=newsletter\\_axiosam&stream=top](https://www.axios.com/newsletters/axios-am-ab10c6e6-0a13-419e-ac0e-705c58232966.html?utm_source=newsletter&utm_medium=email&utm_campaign=newsletter_axiosam&stream=top)

### FROM NEW YORK

- Governor Cuomo reported yesterday that COVID hospitalizations dropped to 4,422. Of the 263,737 tests reported yesterday, 8,379, or 3.18%, were positive. The 7-day average positivity rate was 3.40%. There were 947 patients in ICU yesterday, down three from the previous day. Of them, 600 were intubated. 47 New Yorkers lost their lives to the virus. <https://governor.ny.gov>. To date, New York had administered 11,092,454 total doses. 35.1% of New Yorkers have completed at least one vaccine dose. . 22.3% of New Yorkers completing their vaccine series. See data by region and county on the State's Vaccine Tracker: [ny.gov/vaccinetracker](https://ny.gov/vaccinetracker).
- Coronavirus variants [now account for nearly 80 percent of the COVID-19 cases in the Big Apple](#), city health officials reported Thursday. They noted home-grown New York City variant — which health officials suspect is more contagious than the original strain — accounted for 45% of the samples examined between March 22 and March 28, while the so-called UK variant of the virus, also believed to be far more contagious, accounted for another 30% of the cases. <https://nypost.com/2021/04/08/covid-variants-now-account-for-80-of-new-cases-in-nyc/>
- New York City Mayor Bill de Blasio, Senate Majority Leader Chuck Schumer and several mayoral candidates voiced qualified support for the state's new "vaccine passport" program even as critics raise privacy concerns, [the Daily News reports](#).
- New York this week agreed to increase taxes on its most affluent residents and raise corporate franchise taxes, aiming to boost public finances without further hobbling an economy hit by the pandemic and lockdowns that have spurred remote work. Business leaders say the increases—which would result in top earners in New York City being charged the highest combined tax rate in the U.S.—could backfire by driving away the very people and companies the city relies on for its revenue. [https://www.wsj.com/articles/new-york-citys-wealthy-will-pay-nations-highest-tax-rates-how-will-that-affect-a-rebound-11617909519?mkt\\_tok=ODUwLVRBQS01MTEAAAF8VXeKqgZIJLa1EMDBsFscsNg2vpYpdGRJ-KhbQQwJ1HTvR4Air6lNgDDpHaEluV-4u2Pj5qn7y-ZuswcpDzdBj8ZRsdufQ16Br3Fri7Bx4s](https://www.wsj.com/articles/new-york-citys-wealthy-will-pay-nations-highest-tax-rates-how-will-that-affect-a-rebound-11617909519?mkt_tok=ODUwLVRBQS01MTEAAAF8VXeKqgZIJLa1EMDBsFscsNg2vpYpdGRJ-KhbQQwJ1HTvR4Air6lNgDDpHaEluV-4u2Pj5qn7y-ZuswcpDzdBj8ZRsdufQ16Br3Fri7Bx4s)
- New York's new state budget includes \$800 million in direct cash assistance [for small businesses](#). Tenant advocates are cautiously optimistic about the new program. [Read more](#).
- A survey of small business owners in New York released Thursday by Facebook found only 59% are confident in their ability to remain open for six months. [Read More](#)
- New York's \$212 billion budget restored millions of dollars in cuts that would have affected county health departments as the COVID-19 pandemic continues to strain resources throughout the state. [Read More](#)

- As lawmakers were putting the final touches on the state budget, Governor Andrew Cuomo, a floor below them at the state Capitol, praised the Legislature's work for putting it together amid the pandemic, but many of the lawmakers Cuomo thanked on Wednesday want him out of office. [Read more.](#)
- New York City schools [will now close only if there are four or more coronavirus cases](#) among students and staff — and they are traced back to a known exposure within the school, Mayor Bill de Blasio announced Thursday.
- Officials with state Comptroller Tom DiNapoli's office said Thursday that [Attorney General Tish James does not need their referral to conduct a criminal investigation](#) into Gov. Andrew Cuomo's handling of Covid-19 in nursing homes.

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**IBANYS will continue to provide updates as additional information becomes available. Thank you all for your continued participation and support.**

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