

## Expenses eligible for AK CARES Grant

### Payroll costs and expenses:

- Salary, wages, commissions, or tips for each employee are eligible under AK CARES. The amount is calculated on an annualized basis and pro-rated over the allowable grant period.
- For a sole proprietor or independent contractor: wages, commissions, income, or net earnings from self-employment are eligible under AK CARES. The amount is calculated on an annualized basis and pro-rated over the allowable grant period.
- Employee benefits including costs for vacation, parental, family, medical, or sick leave; allowance for separation or dismissal; payments required for the provisions of group health care benefits including insurance premiums; and payment of any retirement benefit are eligible under AK CARES. The amount is calculated on an annualized basis and pro-rated over the allowable grant period.
- State and local taxes assessed on compensation pro-rated for each employee are eligible under AK CARES. The amount is calculated on an annualized basis and pro-rated over the allowable grant period.
- Any portion of payroll costs covered by unemployment insurance is **NOT** eligible under AK CARES.

### Payment of any short term (less than 24 months) or credit card debt incurred by the applicant to support the applicant's business during the emergency:

- Short term debts incurred for eligible expenses starting March 11, 2020 are eligible under AK CARES.
- Financing with a term over 24 months is **NOT** eligible under AK CARES.
- Credit card charges for eligible expenses starting March 11, 2020 are eligible under AK CARES.
- Charge accounts for eligible expenses starting March 11, 2020 are eligible under AK CARES.

### Rent or mortgage payments (unless otherwise waived by lessor/lender):

- Rent under a lease agreement in force before March 11, 2020 is eligible under AK CARES.
- Mortgage must have been in force before March 11, 2020 under AK CARES.
- Rent and mortgage payment that were waived are **NOT** eligible expenses under AK CARES.

**Utilities payments:**

- Utilities are defined as electricity, gas, heating oil, water, transportation, telephone, or internet access.

**Purchase of personal protective equipment required by the business:**

- Personal protective equipment required for employees or business operations is eligible under AK CARES.

**Business related equipment:**

- Equipment that is necessary to operate or re-open the business is eligible under AK CARES
- New equipment to expand services or upgrade existing functional equipment is **NOT** eligible under AK CARES.

**Expenses incurred to replenish inventory or other necessary re-opening expenses:**

- Inventory necessary to standard operations or replenishing a lack of standard inventory caused by closure is eligible under AK CARES.
- New types of Inventory not previously used or new types of inventory intended to expand services or product lines are **NOT** eligible under AK CARES.
- Expenses that meet other eligibility requirement and are required to re-staff and re-open the business are eligible under AK CARES.