

AdminService



Bookkeeping and Accounting Services

Personalized, Professional and Accurate

Specializing in small businesses and non-profit organizations

Virtual / remote – safety in social distancing – or onsite

New Service! Virtual Assistant

*Save money and time . . .
Let us help you thrive and grow!*

Caring and supporting you is our mission.

Local, women-owned business.

610-917-9101 • www.adminservice.com

• **Economic Injury Disaster Loans (EIDL):** The Economic Injury Disaster Loan (EIDL) program provides for an “advance” of up to \$10,000 within 3 days of the loan application even before the loan is approved. Section 1110(e)(5) of the CARES Act provides that the EIDL “advance” does not have to be repaid (even if the loan is subsequently denied). Because the “advance” never has to be repaid (i.e., there are no conditions that have to be met to have the advance on the loan forgiven or discharged), the department will treat the “advance” as a grant which is not subject to tax.

• **Payments received from the Provider Relief Fund:** The federal government has allocated \$175 billion in payments to be distributed through the Provider Relief Fund (PRF) to support healthcare providers in the battle against the COVID-19 pandemic. The PRF distributes payments to healthcare providers to cover healthcare-related expenses or lost revenue due to COVID-19. The payments are nontaxable as grants for PIT Purposes. This also includes Health Resources and Service Administration claims and reimbursements for uninsured patients.

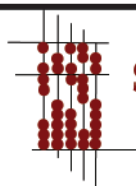
Taxable for PA Income Tax Purposes:

• **Student Loan Debt:** The CARES Act provides that certain student loan repayments made by an employer up to \$5,250 will not be subject to Federal Income Tax. However, these repayments are considered taxable for PIT purposes. The amount of the student loan debt repayment made by the employer on behalf of an employee should be included as compensation on the employee's PA-40 return.

• **Coronavirus Related Distributions from Retirement Accounts:** Coronavirus-related distributions on retirement accounts allow taxpayers to spread their federal income tax burden on the distribution over three years. If the amount is paid back within three years, taxpayers may request a refund of federal taxes paid on the withdrawal. Pennsylvania does not follow the federal provision on this. If the withdrawal meets the age or years of service requirement, then it is not subject to PA income tax. Otherwise, early distributions from retirement accounts are subject to tax to the extent that they were not already subject to tax at the time the money was contributed to the account. In the event someone takes an early distribution from a retirement plan that would be subject to tax and subsequently pays it back, the department would not refund tax paid on that amount. Any reinvestment would be considered basis and wouldn't be taxable upon later distribution.

• **Other COVID Disaster Relief Payments:** COVID-19 disaster relief payments set up by employers or charities to be paid to employees do not constitute compensation for federal income tax purposes under IRC 139(a). The department does not follow IRC § 139. The taxability of these payments would be dependent on the nature of the payments and would have to be reviewed on a case by case basis.

For more information or questions, please contact a member of the Herbein tax team, or email us at info@herbein.com.



SN&A
CPAs

Call us today to schedule an appointment!

(610) 367-9372

- Income Tax Return Preparation
- Payroll Preparation
- Financial Statement Preparation
- Estate Planning
- Tax Planning
- Bookkeeping Services
- Financial Planning
- Management Consulting

Sheila Nester & Associates, P.C.

dba Larry E. Hoffa & Company

300 East Philadelphia Avenue, Boyertown, PA 19512

www.larryhoffaandcocpa.com

AdminService

AdminService was initially founded in 2000 by Claus Sproll with the concept of supporting local and spiritually oriented organizations in the community and assisting local non-profit organizations and small companies with administrative and bookkeeping tasks, while staying true to the mission of that particular organization or company. After all, it's these time-consuming tasks that tend to divert owners from their big-picture goal, yet without completing them, can be a business' downfall. Business Development and planning was the main service provided for organizations and companies during the early years.

What started with consulting eventually evolved into the broader services of today when Pamela Benton joined in 2006 with her business, non-profit and accounting expertise. Proving that two heads are better than one, the duo quickly became an effective partnership. Through time, they formed lasting relationships with local businesses and non-profits, and by 2013, Pamela became co-owner. In 2020, she assumed ownership. The stock repurchase that made this possible is an innovative form of ownership that allows employees to participate in the success of the company. AdminService is now a women-owned and operated company, with Claus still heavily involved in the role of Founder and Director of Corporate Integrity.

Over the years, AdminService has grown steadily and organically to a dedicated team of over fifteen full and part-time employees. Through careful planning and forward-thinking, the company has developed a strong culture of care for the people within the various organizations that it serves, mainly throughout Chester and Montgomery counties. With the onset of tools to support 'virtually' and remotely the company developed systems to offer bookkeeping and accounting in a virtual

environment. This also allowed the company to offer part time employment to people needing to stay home or care for family during the COVID crisis. The multitude of additional services AdminService provides through its partners, from fundraising to helping people with disabilities, website building and marketing support, have since been added to its core competencies. Needless to say, AdminService's priority has been and always will be to put the people first.

A growing component of AdminService is the remote support it provides to mid-sized companies across the country, more commonly referred to as the 'Virtual Office' support. Whether near or far, AdminService provides a service to its clients where they can now receive remote help to assist with administrative tasks, scheduling appointments, responding to customers, developing marketing materials, plus many other services to make sure their client's organizations and businesses grow and thrive now and into the future.

For additional information, please call 610.917.9101 and visit: www.admin-service.com.

Business Advisor
Promote your business in the
Route 422 Business Advisor!
Call (610) 323-6253