

### **The WHO CARES Act**

On March 27, 2020, President Trump signed into law the bill entitled the “Coronavirus Aid, Relief and Economic Security Act” or the “CARES Act.”

I suspect that this title was an abbreviation of the original, more accurately descriptive title: “We Help Ourselves: Coronavirus Aid, Relief and Economic Security Act” or the “WHO CARES Act.” The original title captured the true spirit of the law.

And WHO was the muse in WHOse honor the WHO CARES Act was entitled? None other than the First Lady, WHOse custom designed jackets broadcast the truth about the concerns motivating our legislators WHO passed the Act. WHO can forget the message on the jacket she wore when visiting the detained child immigrants in 2018?



I recently had the unfortunate experience of reading the WHO CARES Act. It was dispiriting. This was our government’s response to stem the tides of disaster that our country was facing at the outset of the Corona virus pandemic. This was the equivalent of legislative triage designed to take care of the most severely bleeding patients first. To do what has to be done so those critically ill patients don’t die. Make no mistake about it, in this case, we, the people, were the patients. We, the people, are suffering both economically and medically from this virus. And many will die.

So how did Congress and the President triage our wounds? Which patients received the most attention? Not you, not me. No one but the extremely wealthy. Sure, you and I were tossed a bone in the form of a \$1,200 or so “tax credit.” Not even an outright distribution, but a “tax credit.” Before you yell yippee, you better ask your accountant to explain to you Subchapter B

of chapter 65 of subtitle F of the Internal Revenue Code of 1986, and subtitle A of the same, because that is how the check you are about to receive is characterized. Not as income, but as a tax credit defined by those laws. I hope you know whether or not you can spend a tax credit, or how much of it you can spend, because I don't.

But let's get right to the point about the WHO CARES Act. All we need to do, to understand WHOM our Congress and President cared about when passing this legislation, is look at its table of contents.

This table summarizes some of the key provisions of the Act, based on WHO CARES about each provision.

<b>Provision Title</b>	<b>WHO CARES – the top 1% of taxpayers?</b>	<b>WHO CARES – the rest of us?</b>
Delay of Estimated Tax Payments for Corporations	Yes	No
Delay of Payment of Employer Payroll Taxes	Yes	No
Modifications for Net Operating Losses	Yes	No
Limitation on Certain Employee Compensation	Yes	No
Allowance of Partial above the line deduction for charitable contributions	Yes	No
Modification of limitations on charitable deductions during 2020	Yes	No
Etc., Etc.	Yes	No

Now it is true that the second chapter of this law, not the first, granted tax credits to individuals, and for that we should be grateful. Credit in the amount of \$1,200 per person (\$2,400 in the case of a joint return). Yes, we should be grateful, until we get to Division C of the WHO CARES Act, entitled "Assistance to Severely Distressed Sectors of the United States Economy."

In Division C of the WHO CARES Act, Congress and the President lent passenger airline carriers the sum of \$50,000,000,000 (that's fifty **billion** dollars). According to the United States Department of Transportation, in June of 2018 the United States passenger airlines employed 440,000 persons. If we divide the 50 billion dollar loan to these airlines by the number of their employees, we get approximately \$113,000 per employee. Do you think their employees will see any of their \$113,000? If so, how much? And where will the rest go? In WHOse pockets? Looking on the bright side, for those of us lucky enough to survive the pandemic, our net operating losses and our partial above the line charitable contributions will be better than ever. But do not despair if you or a loved one does not make it to the light at the end of the tunnel. Apparently, you will still be provided for. As was my friend WHO received a check for \$1,200 made out to his mother, WHO had died over two years ago. The government seemed to know his mother had died, because the check was made out to "Mrs. Smith, deceased." Further, rumor has it that Mrs. Smith can resubmit her estate tax returns to take advantage of the revised rules regarding net operating losses and partial above the line charitable contributions. Apparently, Uncle Sam's largesse knows no bounds.

In case you are interested, approximately 3,000,000 people die each year in the United States. The Tax Policy Center estimates that 60% of all Americans pay taxes. My friend's mother died 2 ½ years ago. Let's assume Uncle Sam is sending these stimulus checks to people WHO died in the last three years. That means the families of 5,400,000 deceased persons will receive a check in the amount of \$1,200 for a total expenditure of \$6,500,000,000 (six **billion**, five hundred **million** dollars). Chump change compared to what the airlines are getting. How could such an error occur? Why would such an error occur? WHO was manning the helm?

Remember WHO lost the popular vote in 2016 by nearly 3,000,000 votes? Let's say you needed 3,000,000 votes to accomplish something. And that typically 50% of the population voted for you, then how many voters would you hope to attract to the polls? Could there be an election in the offing? Do these checks violate Section 597 of the criminal laws of the United States (18 United States Code, Chapter 529 "Elections and Political Activities") which criminalizes

***"WHOever makes or offers to make an expenditure to any person, either to vote or withhold his vote, or to vote for or against any candidate; and WHOever solicits, accepts, or receives any such expenditure in consideration of his vote or the withholding of his vote"***

And if you receive one of these checks and cash it, have you too violated this statute? That is the way it reads. If you receive one of these checks addressed to "\_\_\_\_\_, deceased", my advice is as follows: *Better Call Saul*.

But WHO CARES?

The reason I undertook this sobering analysis was the following. I was checking to see if the WHO CARES Act prevented the credit rating of a client of mine from being lowered by a creditor

during this time of COVID-19. Short answer: of course not. This concern was not on the minds of our legislators, their credit scores were not being impacted.

Perhaps I am a tad too cynical. It's not as if no one is trying. Someone is. In particular, Brian Schatz (D), Sherrod Brown (D) and Doug Jones (D) CARE. Apparently they did not buy the jacket the First Lady was promoting. Instead, they were busy introducing legislation with the not so memorable acronym "DPWCA." However, more important than the acronym is the full title: the Disaster Protection for Workers' Credit Act of 2020. It does just what the title says it does. It protects the credit scores of all persons by preventing credit companies from lowering those scores during the pandemic. Where is this piece of legislation? Sitting ignored along with three other companion bills buried in the Committee on Banking, Housing, and Urban Affairs.

If you CARE, contact your senator or representative and tell them to pass this bill. It may not impact their lives, but it might help yours.

It is time to answer the question so articulately posed by the First Lady's jacket, "DO U?". Yes, U DO!

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