



Pandemic Unemployment Assistance Q&A

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QUESTION: What is PUA?

ANSWER: Pandemic Unemployment Assistance, or PUA, is a federal program for people who are unable to work as a direct result of COVID-19 and are not eligible for regular state unemployment benefits, such as independent contractors or self-employed workers.

QUESTION: When will the PUA application be available in North Carolina?

ANSWER: The PUA application is available beginning Friday, April 24, 2020, at des.nc.gov.

QUESTION: What is the process for independent contractors or self-employed REALTORS® to file for unemployment in North Carolina?

ANSWER: You will need to apply at des.nc.gov. Please note that most REALTORS® will be in one of the three categories listed below. Please read carefully to determine how to proceed.

- If you are an independent contractor or self-employed worker who was laid off or had your hours reduced due to COVID-19 and have **not previously applied for unemployment**, the online benefits system will determine whether you are eligible for state unemployment or PUA through a single application. You can begin your application to file a new claim for unemployment here: <https://fed.des.nc.gov/ofis/citizen/pages/public/SelfRegStart.aspx>.
- If you **applied and were denied for state unemployment benefits before April 24**, the NC Division of Employment Security may need additional information to determine whether you are eligible for PUA. Sign into your online account (<https://fed.des.nc.gov/ofis/citizen/pages/public/Login.aspx>) and click on the 'Apply for Pandemic Unemployment Assistance' link to complete the process. If your claim is listed as 'pending,' they are still reviewing your eligibility for state unemployment benefits. *You may not apply for PUA while your claim is pending.*
- If you are currently receiving state unemployment benefits, you are not eligible for PUA.

IMPORTANT: To expedite the processing of your claim, have all of your supporting documentation ready while completing the application so you can upload and include it with your application submission. If you submit your application and then try to add supporting application later, your claim may be delayed. You can save your application and come back to it later if you need to.

QUESTION: What documentation should a REALTOR® be prepared to have available when applying for unemployment?

ANSWER: The NC Division of Employment Security will base your unemployment benefit amount on your 2019 gross income so you need to show proof of 2019 earnings. There are two main sources of documentation required.

1. **Documentation of 2019 employment and income.** Examples include: 2019 Tax Returns, 1099s, quarterly estimates/reports, closing documents, commissions, bank statements, etc. The NC Division of Employment Security needs an accurate picture of all of your 2019 earnings (gross income) to calculate a weekly unemployment benefit amount.
2. **Documentation of the COVID-19 reason for your loss of work.** Examples include: documentation from medical professionals related to diagnosis or isolation instructions, notices from school or childcare providers, notices from county or state government regarding business closures or stay at home orders, documentation that a job offer or need for your services was cancelled or delayed because of COVID-19.

QUESTION: If I am an independent contractor or self-employed, what name and address do I list on the employment section of the application?

ANSWER: The NC Division of Employment Security provides information about that here: <https://des.nc.gov/need-help/covid-19-information/federal-unemployment-assistance/pandemic-unemployment-assistance> under their Tips for Applying for PUA section which includes screenshots of the application.

QUESTION: Does a REALTOR® have to apply for state unemployment benefits first and be rejected before applying for PUA?

ANSWER: No.

QUESTION: How much in PUA benefits can I receive and for how long?

ANSWER: The maximum PUA benefit amount in North Carolina is \$350/week for 39 weeks through the end of 2020. It is only available if you continue to be unemployed as a DIRECT result of COVID-19. Payments will be retroactive to as early as March 15, 2020 (the first week of the Governor's Executive Order) if that was the last date you worked. For benefit weeks ending April 4, 2020 through July 25, 2020, an additional \$600 in weekly Federal Pandemic Unemployment Compensation (FPUC) will be paid with your PUA benefits. You do not need to apply separately for these payments.

QUESTION: If I am approved, how long will it take for me to receive PUA benefits?

ANSWER: If there are no issues with your claim, payment should be issued approximately 14 days after you file for PUA. Payment will be retroactive to the date you stopped working.

QUESTION: If I am approved, do I need to do anything to continue receiving PUA benefits?

ANSWER: Yes, you must complete your Weekly Certifications for every week you are filing for benefits.

A Weekly Certification is a series of yes/no questions that helps determine your eligibility for benefits each week. If you do not complete a Weekly Certification, you will not be considered for payment.

Log into your online account to complete your Weekly Certification. If you do not have online access, call 888-372-3453 (Weekly Certifications only).

QUESTION: In what form of payment will PUA benefits be issued?

ANSWER: You will be able to put your information in the system to determine how your benefits will be issued. Direct deposit is the faster way to receive benefits. You can also choose a debit card which takes an additional 5-7 days to receive. You can also choose to withhold state and federal income tax from your benefits, but this is not required.

QUESTION: Are PUA benefits taxable?

ANSWER: Yes, for both state and federal taxes. A 1099 for benefits received will be sent out in January 2021 to be filed with your 2020 tax returns.

QUESTION: Can a REALTOR® apply for PUA benefits and still accept work?

ANSWER: Yes, but you will have to report any income when it is received. This could affect your weekly benefit amount for the time/week when the income is reported but should not impact your claim before or after. If you have reportable earnings for 4 weeks in a row, then your payments will stop until you are able to verify unemployment.

QUESTION: If I have active listings, do I have to end those relationships to apply for PUA?

ANSWER: No.

QUESTION: A closing occurred prior to the effective date of the PUA program, but I have not been paid my commission. How does this impact my eligibility?

ANSWER: It does not affect your eligibility, but it may affect amount of benefits received for the week the commission is paid.

QUESTION: If I am able to telework (or work remotely), but unable to fully close transactions or complete work to receive compensation, am I ineligible for benefits?

ANSWER: No, but you will have to report any income when it is received which may affect your eligibility and/or weekly benefit amount. You can start doing the services to get back to self-employment without disqualifying you immediately from receiving unemployment benefits.

QUESTION: Must an applicant establish that they or their company have been absolutely unable to conduct any business for PUA benefits to be available to REALTORS® and employees where it is clear the real estate industry has sustained severe economic impact due to COVID-19?

ANSWER: No, unemployment is WHEN you have loss of income impacted by COVID-19 so it would start on the later of March 15, 2020 or when you meet one of the self-certifications.

QUESTION: What are the qualifying Self-Certification Items?

ANSWER: Self-certification that the individual is otherwise able and available to work except that the individual is unable to work because of the following circumstances which all relate to COVID-19:

- The individual has been diagnosed; or
- A member of the individual's household has been diagnosed; or
- The individual is providing care to a household or family member; or
- A child or other person for which the individual has primary caregiving responsibility is unable to attend school or another facility as a result of COVID-19; or
- The individual is unable to reach the place of employment because of a quarantine imposed as a result of the COVID-19 public health emergency; or
- The individual is unable to reach the place of employment because the individual has been advised by a health care provider to self-quarantine; or
- The individual was scheduled to start work and does not have a job as a result of COVID-19; or
- The individual has become "the breadwinner or major support for a household because the head of the household has died as a direct result of COVID-19"; or
- The individual has to quit their job because of COVID-19; or
- The individual's place of employment is closed because of COVID-19; or
- The individual is self-employed, seeking part-time employment, does not otherwise qualify for benefits, and fits one of the above.

QUESTION: Does being deemed an essential service disqualify an applicant from receiving PUA benefits?

ANSWER: No. There is nothing in the [CARES Act](#) or federal guidance issued by the U.S. Department of Labor to date that states individuals from "essential" industries would be ineligible to receive unemployment compensation benefits under the PUA program in accordance with a state order. Even if real estate related activities are deemed essential, it does not necessarily mean that an individual is working and receiving compensation. For this purpose, whether an industry is "essential" is not relevant to the test as to whether an individual is eligible to receive unemployment compensation. Individuals are encouraged to apply for unemployment if they have been fully or partially unemployed due to an inability to work, as a result of the COVID-19 public health emergency. To the extent a state changes the eligibility requirements for PUA to exclude "essential" workers, the state could be risking DOL canceling its agreement with the state and ceasing full funding of PUA benefits.

QUESTION: Will brokers with independent contractor agents have to pay anything for their agents to receive unemployment benefits?

ANSWER: No, because the independent contract is filing their own claim, not the broker. Independent contractors would be filing against their own 1099.

QUESTION: Will brokers with independent contractor agents have to verify their "unemployment" status to ensure an agent's eligibility?

ANSWER: No, because self-certification is done by the independent contractor.

QUESTION: Can a REALTOR® receive PUA if they are receiving social security retirement benefits?

ANSWER: Yes, because Social Security retirement is no longer a disqualifier from receiving benefits. Receiving Social Security disability benefits would be a disqualifying factor.

QUESTION: Can a REALTOR® apply for both PUA and SBA loans?

ANSWER: Several factors should be considered when you are reviewing your eligibility for both of these programs. You should consider consulting your tax professional about how best to consider these programs for your specific business needs. If you received an SBA loan and you are paying yourself, then you would be obligated to report that income to the NC Division of Employment Security which would likely make you ineligible for PUA. If you are using the SBA loan to pay employees but you are not being paid, then you may be eligible for PUA. Again, consider consulting with your tax professional before proceeding.