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Greetings!

The State of California has announced that it will begin [accepting claims for unemployment insurance](#) from the self-employed on **April 28th**.

Payments Expected (Retroactive!)

Once the application period opens you may claim benefits back to February 2 or your date of unemployment, whichever is later. The basic benefit is \$167 per week from the State of California plus an additional \$600 per week from the federal government for March 29th through June 25th.

Eligibility

In order to claim unemployment insurance as a self-employed individual you must be unable to work as a result of COVID-19. This may be in a direct sense, for example that your business is closed by government order, or in an indirect sense because demand for your services has dried up.

The California EDD website indicates that there is a possible eligibility if you are partially employed during this time, but they provide no details as to how this would be determined.

Interaction with PPP

If you receive a loan under the [Paycheck Protection Program](#) (PPP) you are expected to use 75% of the funds to cover payroll, including paying yourself as a self-employed individual. For purposes of unemployment insurance, this would presumably count as working for those eight weeks and make you ineligible for UI benefits during that time. Some individuals may be better off forgoing PPP and claiming unemployment benefits instead.

Presently Unknown

What documentation will be required in order to apply?
How long will it take to start receiving benefits after application?
How will you certify your continuing eligibility?
What happens if you pick up some part-time work?

We will continue to monitor the subject and send updates as more information surfaces.

Conrad Seales CPA

And the crew at
Santa Cruz Pacific Accounting & Tax

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