

# Texas Travel Industry RECOVERY PROGRAM

## Texas Travel Industry Recovery Grant Program (“TTIR Program”) Frequently Asked Questions (FAQ)

UPDATED 08/16/2023

### 1. What is the Texas Travel Industry Recovery Grant Program?

The Texas Travel Industry Recovery Grant Program (TTIR Program) was established by the Texas Economic Development & Tourism Office pursuant to Senate Bill 8 (87<sup>th</sup> Legislature, Third Called Session) to administer \$180 million of funds received from the [Coronavirus State Fiscal Recovery Fund](#), established under the American Rescue Plan Act (ARPA) of 2021 (Pub. L. No. 117-2). The purpose of the TTIR Program is to provide grants for the recovery of Texas entities in the tourism, travel, and hospitality industry. The Category 5 window closed on July 21, 2023 at 5:00pm, Central Standard Time.

In accordance with Senate Bill 30, recently signed into law by Governor Greg Abbott following the 88th Legislative Session, each approved program applicant may apply to receive **up to \$250,000 in total from the TTIR Program**. This means that grant awards will be cumulative between categories; accordingly, if an entity received a disbursement from a Category 1-5 application, the entity’s Category 6 application amount must be reduced by the amount it received from its Category 1-5 application. Category 1-5 applications will continue to be processed when the Category 5 window closes, but no application submitted after the Category 5 window closes will be considered or processed until the Category 6 application window opens and it is submitted as part of that category. The Category 6 application window will open on September 1, 2023. You may sign up for direct notifications for this TTIR Program funding opportunity by clicking the link below, and our office will keep you updated as the new application window opens.

[https://public.govdelivery.com/accounts/TXGOV/subscriber/new?topic\\_id=TXGOV\\_282](https://public.govdelivery.com/accounts/TXGOV/subscriber/new?topic_id=TXGOV_282)

### 2. What costs are eligible during Category 6?

Costs in the following categories will be allowed, if otherwise in compliance with any applicable federal and state law, if they address the identified need or impact of the COVID-19 pandemic, are in response to the disease itself or the harmful consequences of the economic disruptions resulting from or exacerbated by the COVID–19 public health emergency, and if incurred in the period beginning November 8, 2021 through the time of application submission (and in no event later than August 31, 2024).

- Payroll and covered benefits expenses (other than unemployment and pension funds)

and compensation of returning employees for lost pay and benefits during the COVID-19 pandemic, compliant with 2 CFR 200.430 and 200.431, the coverage of which mitigates financial hardship such as declines in revenues or profits; and

- Only if less than \$250,000 of payroll costs and compensation in total (i.e., including amounts previously eligible for Categories 1-5) are eligible under the grant
  - COVID-19 mitigation and prevention measures to enable safe reopening, which may include, but are not necessarily limited to, improvements to ventilation, physical barriers or partitions, signage to facilitate social distancing, provision of masks or personal protective equipment. Mitigation and prevention measures not specifically listed here must be separately identified and itemized in the application;
  - Rent, leases, and utilities, to the extent the costs are compliant with, to the extent applicable, 2 CFR 200.465 and 2 CFR 200.472;
  - Professional bookkeeping services, to the extent that these are accounting services related to payroll bookkeeping and tax filings and are or will be reported by the applicant on a Form 1040, Schedule C federal tax form for the year in which the cost occurs, which can be documented by the applicant in accordance with the verification requirements in FAQ #24; and
  - Contract labor, to the extent that these are expenses which are or will be reported by the applicant on a Form 1040, Schedule C federal tax form for the year in which the cost occurs and are related to the operation of the business or to the maintenance of its facilities or equipment, which can be documented by the applicant in accordance with the verification requirements in FAQ #24.

Expenses in these categories must be related and reasonably proportional to the extent and type of harm experienced; uses that bear no relation or are grossly disproportionate to the type or extent of harm experienced would not be eligible uses. In addition, all uses shall be compliant with applicable federal and state guidance.

No other categories of expenses will be allowed, including, but not necessarily limited to, the costs of acquiring real property, equipment, advertising or promotion costs, alcoholic beverages, debts and any related collection and legal costs, costs of donated property or space, fines, penalties, lobbying, or food.

In addition, grant funds may not be used for any program, service, or capital expenditure that:

1. conflicts with or contravenes the statutory purpose of ARPA, including a program, service, or capital expenditure that includes a term or condition that undermines efforts to stop the spread of COVID-19;
2. constitutes debt service (new or preexisting), a replenishment of any financial reserves, or satisfies any obligation arising under or pursuant to a settlement agreement, judgment, consent decree, or judicially confirmed debt restructuring plan in a judicial, administrative, or regulatory proceeding;

3. violates any federal or state conflict-of-interest requirements, including any self-dealing or ethics rules; or
4. violates any applicable federal, state, and local laws and regulations, including, but not limited to, environmental laws and federal civil rights and nondiscrimination requirements, which include prohibitions on discrimination on the basis of race, color, national origin, sex, religion, disability, age, or familial status (having children under the age of 18).

### **3. What are the priority groups?**

The application volume in Categories 1-5 did not warrant the use of priority groups, and it is not anticipated that priority groups will be used for Category 6.

### **4. When will Category 6 applications open?**

Category 6 will open at 9:00 AM CST on September 1, 2023. You may sign up for direct notifications for this TTIR Program funding opportunity by clicking the link below, and our office will keep you updated as the new application window opens.

[https://public.govdelivery.com/accounts/TXGOV/subscriber/new?topic\\_id=TXGOV\\_282](https://public.govdelivery.com/accounts/TXGOV/subscriber/new?topic_id=TXGOV_282)

### **5. Can I apply for additional funds in Category 6 if I have already received an award during application Categories 1-5?**

Yes, the application window opening on September 1, 2023, will be open to previously-awarded applicants. If you already received an award during Categories 1-5, you must create a new application; however, you must account for any award received during Categories 1-5 when determining the amount of funding to apply for in Category 6. For a tutorial of that process, please see the link below.

<https://gov.texas.gov/business/page/ttir-faq>

### **6. May I submit a new application when Category 6 opens if I submitted an application during Categories 1-5 that is still in processing or has not yet been awarded?**

Yes, if you previously submitted an application which is still in processing status when Category 6 opens you are allowed to create a new application for submission; however, you must account for any award anticipated to be received during Categories 1-5 when determining the amount of funding to apply for in Category 6.

### **7. Is this a first come, first served application process?**

Yes.

### **8. What is the eligible payroll timeframe that is considered for the grant?**

Payroll expenses (assuming the entity also satisfies all other requirements for the funds) must have been incurred in the period beginning November 8, 2021 through the time of the application submission (and in no event later than August 31, 2024).

**9. Is the TTIR Program open to non-profits?**

Yes, non-profits are eligible assuming they also satisfy all other requirements for the funds.

**10. Do Chambers of Commerce and/or Visitors Centers qualify for TTIR Program funding?**

Only privately-owned for profit and non-profit entities which fall into the qualifying NAICS categories are eligible for TTIR Program funding, assuming they also satisfy all other requirements for the funds. Please refer to <https://www.naics.com/search/> to determine whether a particular organization qualifies in one of the relevant NAICS codes. An applicant is also responsible for identifying the entity's ownership structure; if it is not privately-owned, it will not qualify.

**11. What if a Chamber of Commerce acts as the community's Destination Marketing Organization?**

Only privately-owned for profit and non-profit entities which fall into the NAICS categories identified are eligible for TTIR Program funding, assuming they also satisfy all other requirements for the funds. Please refer to <https://www.naics.com/search/> to determine whether a particular entity qualifies in one of the relevant NAICS codes. An applicant is also responsible for identifying the entity's ownership structure; if it is not privately-owned, it will not qualify.

**12. Will a CVB be eligible for TTIR Program funding if they are held by a city office and funded by the HOT revenue?**

Only privately-owned for profit and non-profit organizations which fall into the NAICS categories identified are eligible for TTIR Program funding, assuming they also satisfy all other requirements for the funds. Please refer to <https://www.naics.com/search/> to determine whether a particular entity qualifies in one of the relevant NAICS codes. An applicant is also responsible for identifying the entity's ownership structure; if it is not privately-owned, it will not qualify. Local governmental entities are not privately owned.

**13. If our business received PPP funding, will we still be eligible for funding?**

Yes, even if an entity received Paycheck Protection Program (PPP) funding, it is still eligible for funding through the TTIR Program on a first come, first served basis. The volume of applications received in Categories 1-5 did not warrant prioritization of those who did not receive PPP funding.

**14. Is my business/organization eligible for TTIR Program funding?**

Grants are available to eligible businesses in the following NAICS codes:

NAICS Codes	
Code	Industry
722	Food services and drinking places
71	Arts, entertainment, and recreation
7211	Traveler accommodation
7212	RV parks and recreational camps
5615	Travel arrangement and reservation services
561920	Convention and trade show organizers
312120	Breweries
722	Food services and drinking places
71	Arts, entertainment, and recreation
7211	Traveler accommodation
7212	RV parks and recreational camps
5615	Travel arrangement and reservation services
561920	Convention and trade show organizers
312120	Breweries
312130	Wineries
312140	Distilleries * note no 2020 data available
532111	Passenger car rental
487990	Scenic and sightseeing transportation, other
487210	Scenic and sightseeing transportation, water
487110	Scenic and sightseeing transportation, land
485510	Charter bus industry
483212	Inland water passenger transportation
483114	Coastal and Great Lakes passenger transportation
483112	Deep sea passenger transportation
512131	Cinemas
512132	Drive-in motion picture theaters

If you do not know your organization's NAICS code, please refer to <https://www.naics.com/search/>. You may also find your NAICS code in the following location on the below tax documents;

1065- block 'B'.

1040 schedule C – block ‘B’.  
1120 schedule K – line ‘2a’.  
990 – Pg 9. Block ‘2’.  
Texas Franchise Tax Form(s) – NAICS code block.

For Categories 5 (and anticipated for Category 6), if an applicant’s tax documents display a different NAICS code than one listed in this policy document, a NAICS Code of 99, or a blank NAICS code, they may still be deemed eligible. In order to be deemed eligible, applicants must provide an activity or product entry that matches an entry listed on the [NAICS.com website](https://www.naics.com) that is listed for one of the acceptable NAICS codes identified in the paragraph above and the relevant tax document provided by the applicant.

- For Form 1065, a keyword must match block ‘A’ or ‘B’.
- For Form 1040, Schedule C, a keyword must match Line ‘A’.
- For Form 1120, Schedule K, a keyword must match line ‘2b’ or ‘2c’.
- For Form 990, a keyword must match Pg 1. Part 1, 1.

For example, if an applicant’s Form 1065 lists NAICS code 44528, but block ‘A’ or ‘B’ lists “café”, the applicant meets the industry qualification. This is because a café falls under 722, an eligible NAICS code.

Applicants apply directly through the Web Portal, which is accessible via a link on the [OOG Economic Development & Tourism \(EDT\)](https://www.oog.texas.gov) webpage.

## **15. Do hotels fall under the NAICS Category 7211?**

Please refer to <https://www.naics.com/search/> to determine whether a particular entity qualifies in one of the relevant NAICS codes.

## **16. Which NAICS Category will Bed and Breakfast establishments fall under?**

Please refer to <https://www.naics.com/search/> to determine whether a particular entity qualifies in one of the relevant NAICS codes.

## **17. Will a food service entity that is housed in a university qualify for TTIR Program funding?**

Only privately-owned for profit and non-profit entities which fall into the NAICS categories identified are eligible for TTIR Program funding, assuming they also satisfy all other requirements for the funds. An applicant is responsible for identifying the entity’s ownership structure; if it is not privately-owned, it will not qualify.

## **18. Will brewpubs be counted in the same NAICS code as breweries or in the drinking places/restaurant category?**

Please refer to <https://www.naics.com/search/> to determine the NAICS code for a particular entity.

## **19. Can I apply for more than one location or business?**

TTIR Program applications are limited to one per Taxpayer ID.

## **20. Will grants be subject to the franchise tax?**

An applicant may wish to consult a tax professional for questions relating to the taxability of grant funds.

## **21. What does lost pay and benefits mean?**

Funds may be used to cover pay and benefits of returning employees who were previously laid off because of required closures and other efforts to contain the pandemic, assuming that the entity also satisfies all other requirements for the funds, including, but not limited to, that the costs fall within the relevant timeframe, are compliant with [2 CFR 200.430](#) and [200.431](#), and the coverage of which mitigates financial hardship such as declines in revenues or profits.

Employees laid off or terminated for other reasons besides required closures and other efforts to contain the pandemic who then return would not be eligible for lost pay or benefits.

## **22. How do I submit a 941 if I use a third-party payroll provider?**

Companies that do not have IRS Form(s) 941 to upload in their own name because they use a third-party payroll provider or Certified Professional Employer Organization (CPEO) must complete and upload standard form letter(s) in lieu of IRS Form 941. The form letter(s) must be completed and signed by an authorized representative of the third-party service provider. The form letter is available [here for download](#). A separate form letter must be submitted for every quarter for which the applicant is seeking reimbursement for payroll/covered benefit expenses.

## **23. What if I have technical issues related to the online application?**

Please take a screenshot of the error you are experiencing (you may have to log back in to recreate the problem) and record the page and time the error occurred. These items should be submitted along with your email address, operating system, and browser to the [TTIR team](#). Click the link for instructions on how to take a screenshot on [Windows](#) or [Mac](#). Email: [tourismrecoverygrant@gov.texas.gov](mailto:tourismrecoverygrant@gov.texas.gov). You may also call 512-463-2111 for assistance.

## **24. Required Documents**

Applicants must submit the following documents where applicable; legible photocopies, scanned documents, and digital photos of documents are accepted in lieu of original documents.

- I. One of the following:
  - 2019, 2020, and 2021 Texas Sales and Use Tax Return 01-117 or 01-114;
  - **OR** one of the below forms for 2019, 2020, and 2021:
    - Texas Hotel Occupancy Tax Report (Comptroller of Public Accounts Form 12-100)

- Return of Organization Exempt from Income Tax (IRS Form 990)
- U.S. Individual Income Tax Return (IRS Form 1040)
- U.S. Corporation Income Tax Return (IRS Form 1120)
- U.S. Return of Partnership Income (IRS Form 1065)
- Texas Franchise Tax Annual Report (Comptroller of Public Accounts Texas Franchise Tax Form(s))
- Texas Mixed Beverage Gross Receipts Tax (Comptroller of Public Accounts Form 67-100)

Applicants submitting an IRS Form 990N must submit a Profit and Loss statement containing total revenue for the reporting period. The Profit and Loss statement must be signed and dated by an organization officer substantiating the information. The Form must also be accompanied by the 990N attestation form.

A mixture of State and Federal tax forms cannot be submitted to meet this documentation requirement. Instead, applicants should choose one type of form (i.e., Comptroller of Public Accounts Form 12-100 or IRS Form 990; not a combination thereof). In the case of a change in business type a combination of federal forms may be evaluated on a case-by-case basis.

**AND**, for the following expenses:

- Payroll Costs – Acceptable documentation to support payroll costs include the following:
  - IRS Forms 941 – fully executed for all quarters for which the applicant is seeking reimbursement for payroll/covered benefit expenses, standard letter form(s) for each of these quarters if the applicant uses a third-party payroll provider or Certified Professional Employer Organization (CPEO) to file its IRS Form 941 data, or a memorandum indicating why the entity is not required to file IRS Form 941.
    - If the entity is not required to file IRS Form 941 in accordance with the provided required memorandum, the entity must submit one or more of the following for all time periods for which the applicant is seeking reimbursement for payroll/covered benefit expenses:
      - A detailed payroll register report from the Company's accounting system or from their payroll processor, e.g., ADP, Gusto, etc. The report must include the name of each employee, wages for all pay categories, and employer paid costs (taxes, worker compensation, etc.). An excel spreadsheet is not an acceptable report;
      - Pay stubs for each employee that include the amount and type of pay categories, and if possible, the employer paid costs; or
      - Cleared paychecks for each employee. Checks must include and match the company information provided on the application.



- Contract Labor specific documentation --- Include (1) the contract between the business owner and the contractor, or, if a contract is not available, a statement from the business owner as to the scope of services provided by the contractor; (2) documentation to establish that the services provided were either related to the operation of the business or to the maintenance of their facilities or equipment; (3) invoices or check stubs from the contractor to the business owner that detail how the paid amount was calculated; and (4) any form proving the contractor was paid (cancelled check, bank statement, etc.).
- Professional Bookkeeping Services specific documentation -- Include (1) an invoice from the accountant detailing the services provided and how the paid amount was calculated; (2) proof of payment (cancelled check, bank statement, etc.); and (3) in cases of recurring payments (static or volume-based), a contract detailing the recurring services provided, the schedule, fee schedule, and payment terms in addition to corresponding invoice(s) and the proof of payment.
- Rental/Lease Costs – Acceptable documentation to support rental/lease costs include the following:
  - A signed and executed agreement that matches the company information provided on the application and includes the monthly costs for the rent/lease. Along with the agreement provide proof that the costs were incurred/paid by providing cleared check or EFT showing costs were paid.
  - Monthly invoices from the Lessor. The Lessee information on the invoice should match the company information provided on the application. Invoices should include the details of the rent/lease costs such as name and address of lessor, name and address of lessee, location of space rented/leased, period of lease, costs incurred and due, invoice number, and invoice date.
- Utilities – Acceptable documentation to support utilities include the following:
  - Monthly invoice from utility company (electric, gas, water, phone, etc.). The service name and location should match the company information provided on the application. Invoices should include the details of the service provided, e.g., location(s), period of service, costs incurred and due, invoice number, and invoice date.
  - Payment receipts, on-line or otherwise, are NOT acceptable unless it includes details of service provided as noted above.
- Acceptable invoices are usually typed but could be hand-written. They should include:
  - a. Vendor name and/or logo, address, phone number.
  - b. Invoice date
  - c. Invoice number
  - d. Date items/service purchased
  - e. Name of items/service purchased
  - f. Number of items/services purchased
  - g. Cost for the items/services
  - h. Total amount due

- i. Name of entity who purchased the items/services

Acceptable receipts should include similar information as an invoice; they will typically show a \$0.00 balance due. The receipt at a minimum should include the name of the vendor, date of purchase, item purchased, costs of item/service, and total amount due.

## **25. Can I be reimbursed for mortgages or costs associated with home offices?**

No. Please see Question 2 for eligible costs or Question 22 for additional details of eligible costs.

## **26. Does the TTIR Application Tutorial video have timestamps?**

Yes, the timestamps for the tutorial are listed on the details section of the video found at the link [here](#). They are also listed below.

How to get to the application? 0:44

How to find your NAICS code? 3:06

What documents are required? 8:37

Where to find our FAQ page: 12:30

Application Timeline Information: 13:08

Creating a new Application: 14:23

How to fill out the application: 17:38

How to fill out Eligibility section of application: 20:29

How to fill out Assessment section of application: 22:49

How to fill out Reimbursement Request section of application: 25:07

How to fill out Narrative section of application: 25:07

How to fill out Sales Loss section of application: 28:25

How to fill out Certification section of application: 31:36

Application submission status: 32:20

Who to contact with questions: 33:08

## **27. Is there a number I can call for assistance with my application or general questions?**

Yes, the number to the TTIR Call Center is 512-463-2111.

## **28. What do the different statuses in the portal mean?**

**In Progress:** Either the application has been returned for correction and it must be corrected and re-certified, or the application has not been certified. If you have not certified your application, please click the Certify button under the certification tab.

**Submitted:** The application has been properly certified and will undergo review.

**Processing:** The application is under review. When a determination is made you will be notified via status change.

**Disbursed:** The application was approved and funds have been mailed.

**Denied:** The application was not selected for funding.

**Unfunded:** The application was not funded because program funds are exhausted and no further applications may be funded.

## **29. What is the process for updating the address that the award funds are sent to?**

A duly authorized officer of an entity which is to receive TTIR funds may request to update the address to which the award funds will be mailed. To do so, the officer must fill out a Change of Address (COA) Request Form. No other person may fill out a COA Request Form. The COA Request Form must be notarized and submitted to the TTIR Portal. The COA Request form is available upon request.

## **30. What if I have received an email from the Office of the Governor requesting additional information to process my award funds?**

If you have received an email from staff at the Office of the Governor requesting additional information or action, you have 30 days from the day of notification to correct the issues or your application will be denied, unless the Office of the Governor, in its sole discretion, and based on communications with you, has made a determination that there may be circumstances beyond your control inhibiting you from providing the information within 30 days. The possible issues include, but are not limited to:

1. The applicant's Comptroller Franchise tax status is not active.
2. The applicant could not be found utilizing the Comptroller Franchise or Sales tax searches.
3. The applicant's Employer Identification Number (EIN) in the Comptroller Franchise Tax search produced a resulting Texas Taxpayer Identification Number (TIN) that was different than the TIN in the application. **A grantee must have a valid TIN to receive a payment from the TTIR Program.**
4. The taxpayer address in the application did not connect with the taxpayer address listed in the Comptroller results.
5. The applicant did not provide an EIN in their application.

Most of these issues will need to be resolved with the Texas Comptroller or may require you to submit additional documentation to the Office of the Governor. Please refer to the email that you received for direction.