



Managing the Financial Impact of COVID-19 for Military Families

Above all, don't panic! Panic can drive poor financial choices.

Seek help from financial professionals (PFMs, financial advisors, banks, etc.)

Military families will feel an impact if one spouse loses an income, but military pay will continue. Use your coping mechanisms! You've been through this before when money has been tight, such as during a government shutdown.

Encourage friends and family to follow your lead!

Cost Of Funds From Lowest To Highest



If you need cash to meet immediate needs, create a prioritized list of where to get it. *Don't dig a financial hole you can't climb out of at the end of this crisis!*

1. CARES Act Stimulus Funds:

- One-time tax rebate (\$1,200 per adult; \$500 per child) if income qualifies
- Furlough wages. Some employers will continue to pay wages with government help
- Expanded unemployment benefits – must apply at State Unemployment Offices

2. Personal “emergency funds” and savings accounts

3. Reach out to Aid Societies (AF Aid Society, Army Emergency Relief, Navy-Marine Corps Relief Society, Coast Guard Mutual Assistance) Qualified applicants can secure emergency assistance no-interest loans and grants.

4. Low-cost credit – banks and credit unions are encouraged to offer small-dollar loans

5. CARES Act early retirement account distributions (taxable as ordinary income over 3 years, no 10% penalty, loss of tax-deferred growth during withdrawal period, 3 years to pay back, if desired)

6. Home Equity Line of Credit (HELOC) (if available)

7. Liquidate investments (consult financial advisor for tax and loss implications)

8. High-cost credit (e.g., credit cards, payday loans, etc.)

– limited to 36% Military Annual Percentage Rate under Military Lending Act

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