Paycheck Protection Program Overview

Eligibility for PPP first draw (never received PPP)
❖ In operation on February 15th 2020
❖ Has no more than 500 employees combined with affiliates (unless NACIS 72, 511110 or 5151 then 500 per location)

Eligibility for PPP second draw (in addition to those above):
❖ Full amount of previous PPP loan must be used prior to applying for the second PPP loan
❖ Demonstrate at least a 25% reduction in gross receipts between comparable quarters in 2019 and 2020; or if in operations for all of 2019, you may use annual gross receipts
❖ Has no more than 300 employees combined with affiliates (unless NACIS 72, 511110 or 5151 then 300 per location)

Loan Amount
❖ 2.5X average monthly payroll; up to $10 million for first draw; up to $2M for second draw
❖ 3.5X average monthly payroll for Accommodations & Food Services loans (NACIS code 72), up to $2 million

Eligible Expenses
❖ All payroll costs (salaries, benefits, commissions, etc.)
❖ Business rent & lease agreements
❖ Business mortgage interest
❖ Business utility payments
❖ Covered* operational expenditures
❖ Covered* personal protective equipment (PPE) expenses
❖ Covered* property damage expenses
❖ Covered* supplier expenditures
*expenses that are essential to payroll processes

Loan Forgiveness
❖ May be eligible for loan forgiveness if proceeds are used on payroll and other eligible business expenses
❖ Employee and compensation levels are maintained; and
❖ Minimum of 60% must be used on payroll costs
❖ Funds must be used in the 8-24 week after PPP is received.

Where to Apply
❖ Contact Your local CDFI/or Bank to apply or reach out to our lending partners;
  ❖ Lendistry
  ❖ AlliesForCommunityBusiness/CRF (Formerly Accion)

To Obtain PPP Guidance fill out this intake form:
❖ PPP Business Advisory Intake Form

Document List:
❖ Photo ID for all owners who own 20% of the business or more
❖ 2019 and 2020 Profit and Loss Statements to show revenue loss during 2020
❖ 2019 Business Tax Returns
❖ For partnerships – include IRS Form 1065 and Schedule K-1
❖ For sole proprietors – include IRS Form 1040 Schedule C
❖ Business Organizational Documents
❖ Payroll Reports with a list of gross wages, paid time off, and taxes assessed for all employees for all 12 months of 2020
❖ 2020 Employer IRS Documents (including one of the following for all 4 quarters of 2020):
  • Form 941: Employer’s Quarterly Federal Tax Return
  • Form 944: Employer’s Annual Federal Tax Return (for smallest employers)
  • Form 940: Employer’s Annual Federal Unemployment (FUTA) Tax Return
  • Form W-3: Transmittal of Wage and Tax Statements
❖ Documentation to support Health Insurance and Retirement expenses incurred as a part of payroll expenses (for example: a statement from insurance or retirement company)

Click here for more information on the PPP.
Eligibility
❖ All forms of business (Profit & Non-profit businesses), ESPOs and tribal businesses
❖ Must employ no more than 500 employees
❖ Independent contractors, sole proprietors can apply as well

Eligibility for the Advance:
❖ Must be located in a low-income community
❖ Must show at least 30% decrease in revenue
❖ Must employ 300 employees or less

Loan Amount for EIDL Loan:
❖ Based upon businesses working capital for 6 months
❖ Maximum amount is subject to change based upon SBA guidelines

Loan Amount for EIDL advance:
❖ Up to $10K max

Interest Rate & Repayment for EIDL loan only
❖ 3.75% interest for small businesses, 2.75% for non-profits
❖ 30 year loan
❖ Payments deferred for 12 months (your loan will continue to accrue interest, but you are not required to make any payments)
❖ No repayment necessary for the EIDL advance (grant)

Uses
❖ Can be used to pay business expenses (working capital, payroll, bills, fixed debts).
❖ Recipients do not have to be approved for an EIDL loan to receive the EIDL advance

Where to Apply
❖ EIDL Loan is open and can apply directly on the SBA website: https://covid19relief.sba.gov
❖ EIDL advance currently unavailable until further notice

The Cook County COVID-19 Recovery: Small Business Assistance program provides support for small businesses impacted by the COVID-19 pandemic. Click Here to Learn More
For any question email: info@turnthepagecookcounty.org