

\$349 Billion In Forgivable Paycheck Protection Program Loans For Small Businesses (ie: < 500 employees)

LINK TO FILLABLE PDF APPLICATION: [LINK](#)

The \$2 trillion Coronavirus Aid, Relief and Economic Recovery (CARES) Act includes **\$349 billion in forgivable loans for small businesses**. The main purpose is to help organizations keep their employees on the payroll between now and the end of June 2020. Hence, the name of the program: Paycheck Protection Program (PPP). **The application window opens on Friday, April 3.**

The PPP will be administered through the Small Business Administration (SBA) and implemented by banks around the country that are already approved as SBA lenders as well as other banks and credit unions who opt in to the program. The money will be distributed on a first come, first served basis. Below is information about how the loans work and some tips and concrete steps you can take right now to be ready to apply when the window opens on April 3.

How the Loans Work

- small businesses with **fewer than 500 employees** are eligible to apply through an SBA approved lender in their community. Sole proprietors are eligible as well.

Awarded on a first come, first served basis beginning Friday, April 3.

- Funds can be used for salaries and other payroll expenses, rent and utilities, mortgage interest and interest on other debt secured before February 15, 2020.
- Loan amounts are 2.5 times monthly payroll expense for full-time employees up to \$10 million. Salaries capped at \$100,000 per employee in the calculation.
- 0.5% annual percentage rate; no payments or interest for 6 months, then converts to 2 year term. 100% government guaranteed, no collateral or personal guarantee required.
- Loan can be forgiven if recipient keeps all employees on payroll for 8 weeks after receiving the loan and uses the funds for allowable expenses. This in effect converts the loan to a general operating grant.