



MORGIA

WEALTH MANAGEMENT™

Small Businesses

Paycheck Protection Program (PPP): Small businesses (500 or fewer employees) will have access to \$350 billion in federally guaranteed loans. This includes non-profits, self-employed individuals, sole proprietorships, and independent contractors. The loans will be provided on a first come, first serve basis.

- Funds will be provided for up to 250% of 4 weeks of payroll costs including benefits such as paid sick or medical leave, insurance premiums and retirement plan benefits. The funds may also be used to pay interest on mortgages/rent and utility payments incurred before February 15, 2020.
- The loans may be forgiven if the business uses at least 75% of the funds for payroll. They also must maintain compensation levels and employee headcount.
 - Forgiven funds will be reduced for any employer who reduces wages by more than 25%.
 - Any laid off employee must be rehired by June 30, 2020.
- If headcount is reduced **or** less than 75% of the loan is used for payroll, the loan may be subject to payback.
 - Term is a 2-year loan maturity with a fixed interest rate of 1.00%.
 - Loan payments will be deferred for six months, although interest will continue to accrue
 - No collateral or personal guarantees will be required to secure a loan.
 - The loan process has been revamped so loans can be expedited.
- Total loan amount is capped at \$10 million.
- Compensation is maxed out at \$100,000 annually per employee.

Small businesses and sole proprietorships can [apply](#) starting April 3, 2020 and Self-employed individuals and independent contractors can apply starting April 10, 2020 for these loans at local SBA approved financial institutions and credit unions. **Applications and payroll documentation must be submitted with enough time for the lenders to process the loans before the June 30, 2020 deadline.** Visit www.sba.gov for a list of [SBA approved lenders](#).

Helpful Links:

<https://www.sba.gov/funding-programs/loans/coronavirus-relief-options/paycheck-protection-program-ppp>

<https://www.sba.gov/paycheckprotection/find>

<https://www.sba.gov/document/sba-form--paycheck-protection-program-borrower-application-form>

<https://www.nav.com/marketplace/business-loans-financing/>

<https://covid19relief.sba.gov/%23/>

<https://www.sba.gov/about-sba/sba-newsroom/press-releases-media-advisories/sba-provide-disaster-assistance-loans-small-businesses-impacted-coronavirus-covid-19>

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