

### ➤ EIDL applications for all small businesses extended through December 31, 2021

EIDL is to be used for working capital | 30-year fixed at 3.75% or 2.75% for non-profits

Apply at: <https://covid19relief.sba.gov/#/>

### ➤ EIDL Grant - \$20 BB – application portal not open yet

- Small businesses and non-profits in low income communities may receive \$10,000 grants.
- Any business that received < \$10K in 2020 may receive the difference up to the full \$10K.
- Must show 30% reduction in gross receipts in 2020 to qualify
- Not deducted from PPP forgiveness application”

### ➤ PPP First Draw increases possible under certain conditions

- First draw was 1) approved on or before Aug. 8, 2020, 2) was fully repaid before 12/27/2021, 3) borrower has not applied for forgiveness, and 4) lender reported it as “cancelled” not “paid in full”. Borrower may apply for a new first draw loan with any participating lender in an amount for which the borrower is eligible. Subject to availability of funds.
- If borrower returned or repaid part of a first draw before 12/27/2020 and SBA has not remitted forgiveness payment to the lender, lender may approve a borrower’s request for a loan increase and re-disburse funds equal to the difference between what was retained by borrower and the amount previously approved. Borrower received \$100K and repaid \$25K and still holds remaining \$75K. Lender can disburse another \$25K to the borrower.
- Borrower did not accept the full amount for which originally approved before 12/27/2020. If SBA has not remitted forgiveness payment to the Lender on that loan. 1) Lender reported the loan as partially disbursed and not as a decrease in the approved amount; borrower may request an increase up to original amount. Lender may approve and disburse a loan increase in the amount of the First Draw previously approved. 2) If Lender reported loan as decreased amount, Lender may process a loan up to the original amount provided the SBA has not remitted a forgiveness payment on the loan.
- Only the Lender of Record for the First Draw may increase a loan

### ➤ PPP Second Draw Continuation extended through March 31, 2021

- Creates a second draw PPP for smaller and harder-hit businesses with fewer than 300 employees
- Business must have used or will use the full amount of first PPP, and must demonstrate at least a **25% reduction in gross receipts** in any quarter of 2020 vs the same period in 2019.
- New applications submitted on or after Jan.1, 2021 may use gross receipts from 4<sup>th</sup> Quarter 2020.
- New applicants must have been in business as of Feb. 15, 2020.
- Must include First Draw loan number with Second Draw PPP application
- **Small restaurant and hospitality businesses to receive 3.5 times avg monthly payroll**
- [Link to calculate 2<sup>nd</sup> Draw Revenue Reduction & Max Loan amounts](#)
- **Loan terms:**
  - Up to 2.5X average monthly payroll costs in the one year prior to the loan or the calendar year, but no loan greater than \$2million.
  - **NAICS code 72** industries (Accommodation & food service) may receive up to 3.5X average monthly payroll
  - Only one PPP second draw loan per eligible entity
- **Eligible businesses:**  
For profit and certain non-profits, 501(c)(6), housing coops, veterans’ organizations, tribal businesses, self-employed, sole proprietors, independent contractors, small agricultural co-operatives

### ➤ PPP Forgiveness Amounts **Not** included in taxable income. 60% must be spent on payroll.