



COVID19 – Federal Payroll Protection Program and Disaster Grant and Loan Programs

Payroll Protection Program

- Provides a FORGIVABLE loan for certain costs payroll, utilities, and rent.
- The applications opened April 3rd and are done thru an SBA approved bank.
- As we await the final SBA rules, Small businesses with 500 or fewer employees can apply for loans under the federal on the Paycheck Protection Program. We recommend that business owners gather the following information and documents to prepare for the application process:
 1. 2019 IRS quarterly Forms 940 and 941
 2. 1099's for independent contractors that would otherwise be employees of your business
 3. Last 12 months of Payroll Reports (gross wages for each employee)
 4. Documentation showing health insurance premiums paid by your business under a group health plan
 5. Document the amount paid to the company retirement plan, but do not include the portion that came from the employees through withholding from their paychecks
- Contact your bank representative to obtain further details pertaining to the loan application process
- Maryland Lender List:
https://www.sba.gov/sites/default/files/articles/BDO%20Lender%20Contacts_0.pdf

PPP MAXIMUM LOAN AMOUNT

- To figure out how much you can apply for, take the following two numbers and add them together:
 - The average monthly payroll cost for your business multiplied by 2.5
 - Payroll Costs are defined on the next slide
 - Take the sum of these costs for each month, add them together, divide by twelve (or the total number of months, if in business for less than one year)
 - Minus the total amount of any EIDL loan received after January 31, 2020
- Maximum Loan Cap: \$10 million

Economic Injury Disaster Loan (EIDL) and GRANT

- Small businesses that apply for an Economic Injury Disaster Loan (EIDL) are eligible to receive a \$10,000 grant/advance toward the proceeds of their EIDL.
- To access the advance, businesses must apply for the EIDL **first** and then request the advance.
- If you have already applied for an Economic Injury Disaster Loan (prior to March 30, 2020), in order to request the \$10,000 grant/advance on your loan proceeds you **MUST** reapply for the EIDL using the **NEW** streamlined loan application process on the [SBA Disaster Loan website](#) and indicate that you want to receive the advance funds.