

ARE YOU SEEKING FORGIVENESS...

FROM YOUR PAYCHECK PROTECTION LOAN?

WHAT IS ELIGIBLE FOR FORGIVENESS?

- Payroll costs
- Any interest payment on any mortgage obligation incurred before February 15, 2020 (not including any prepayment or payment of principal on a mortgage obligation)
- Any payment of rent under a leasing agreement in effect before February 15, 2020
- Utility payments, including payments for the distribution of electricity, water, gas, transportation, telephone, or internet access for which service began before February 15, 2020.



WHAT EXACTLY ARE PAYROLL COSTS?

For a business with employees, payroll costs are equal to the sum of:



- Salary, wage, commission, or similar compensation, as well as guaranteed payments to a partner, any partner's share of income of the partnership
- Cash tip or equivalent payment
- Vacation, parental, medical, family, or sick leave payment
- Allowance for separation or dismissal
- Payment required for providing group health care benefits (includes insurance premiums)
- Payment of any type of retirement benefit
- Payment of state or local tax assessed on employee compensation

WHAT IS EXCLUDED?*

- Individual employee compensation (or the self-employment income of a partner in a partnership) over \$100,000, as prorated for the period covered
- Taxes withheld or imposed under chapters 21, 22, or 24 of the IRS Code during the covered period
- Any payment to an employee whose principal residence is outside of the US
- Qualified sick leave wages for which a credit is allowed under section 7001 of the Families First Coronavirus Response Act
- Qualified family leave wages for which a credit is allowed under section 7003 of that same Act.



WHAT ARE THE MEASUREMENT POINTS FOR LOAN FORGIVENESS?



- Employee count is the same on June 30, 2020, that it was on February 15, 2020
- Employees are paid at least 75% of their wages from February 15, 2020, on June 30, 2020
- PPP money cannot be used to fund an individual's gross wages above 100k per year (\$8,333 per month)
- 75% of the loan must be spent on payroll and related costs – gross wages, health insurance benefits, retirement and SUTA

*Amounts are subject to a per-employee or per-partner cap of \$100,000.