
What You Can Do Today to Prepare for the Payment Protection Program (PPP) Loan

The COVID-19 SBA loan program is evolving; however, we have noticed that most banks are asking for the following information when applying for the Payroll Protection Program loan:

- Documentation verifying the number of full-time equivalent employees on payroll as well as the dollar amounts of payroll costs
- Copy of business' IRS Form 941 for each quarter in 2019

Payroll Costs Include:

- Salary, wages, commissions, or tips (capped at \$100,000 on an annualized basis for each employee)
- Employee benefits including costs for vacation, parental, family, medical, or sick leave; allowance for separation or dismissal; payments required for the provisions of group health care benefits including insurance premiums; and payment of any retirement benefit
- State and local taxes assessed on compensation
- For a sole proprietor or independent contractor: wages, commissions, income, or net earnings from self-employment, capped at \$100,000 on an annualized basis for each employee

It's important to note that you cannot include monies paid that were reported on an IRS Form 1099.

When to Apply

Small businesses and sole proprietors can apply online with their bank beginning April 3, 2020. Self-employed and independent contractors can apply April 10, 2020.

How to Apply

Visit your bank's website to access their application. Every bank has a different version of the application.

Call your primary contact at BudgetEase for assistance in collecting this information. If you don't have a contact, go to www.BudgetEase.biz.



