



SBA PAYCHECK PROTECTION PROGRAM (PPP) ONE-PAGER

The **SBA Paycheck Protection Program (PPP)** authorizes up to \$349 billion in forgivable loans to small businesses to pay their employees during the COVID-19 crisis. **LOANS WILL BE FORGIVEN IF:**

1. The loan proceeds are used to cover payroll costs, most mortgage interest, rent, and utility costs over the 8-week period after the loan is made
2. Employee and compensation levels must be maintained. You have until June 30, 2020 to restore your full-time employment and salary levels for any changes made between February 15, 2020, and April 26, 2020

When can I apply? Starting April 3, 2020. **FUNDS MOST LIKELY WILL RUN OUT BEFORE THE DEADLINE TO APPLY (JUNE 30, 2020)**

Where can I apply? You can apply through any existing SBA lender

Who can apply? Any business with 500 or fewer employees can apply

What do I need to apply? Collateral or personal guarantee are not required. You will need to submit to your lender the following:

1. SBA PPP application
2. The required documentation to verify your payroll costs

How large can my loan be? Up to 2.25 times your monthly payroll with a \$10 million cap

How much of my loan will be forgiven? You will owe money when your loan is due ONLY IF:

1. You do not maintain your staff and payroll
2. You use the loan amount for ANYTHING OTHER than payroll costs, mortgage interest, rent, and utility costs over the 8 weeks after getting the loan

How can I request loan forgiveness? You can submit a request to the lender that is servicing the loan. The lender must make a decision on the forgiveness of the loan within 60 days

What is my interest rate? 0.50% fixed interest rate

When do I need to start paying interest on my loan? All payments are deferred for 6 months

When is my loan due? In 2 years

Source: U.S. Department of the Treasury

Gabriel Prado | Director of Economic Development
Department of Economic Development | City of Clinton, MS
T: 601-291-8275 | E: gprado@clintonms.org | W: www.clintonms.org