

Please note that the following is a preliminary and partial summary of the legislation, and is subject to changes and further clarifications.

Small Business Interruption Loans (SBIs) aka Paycheck Protection Loans

This loan program can provide loans of up to \$10 million for your businesses (with an opportunity for a one-year repayment deferment or loan forgiveness). The SBI loans cover:

- Payroll (with some restrictions)
- Mortgage/rent
- Payments on debt obligations

Loan fees are waived for the borrower and lender. Loans are available until June 30, 2020. The loan amount that your business can get are the lesser of the following:

- Your average monthly payroll costs for the 1 year period ending on the date the loan was made multiplied by 2.5, or
- \$10 million.

Loan Forgiveness of Paycheck Protection Loans

The Act calls for a portion of the paycheck protection loans to be forgiven tax-free (conditions apply). The amount to be forgiven is the sum of the following payments made by the borrower (during an 8-week period starting with the loan date):

- Payroll costs
- Mortgage interest
- Rent
- Certain utility payments

Emergency Government Disaster Loan and Grant

The Act expands access to Economic Injury Disaster Loans (SBA) for reasons other than payroll purposes. No personal guarantee required on loans below \$200,000. An Emergency Grant provision allows for an immediate advance of up to \$10,000, which might not need to be repaid.

Delay of Payment of Employer Payroll Tax and Self-Employment Tax

The Act will allow your payments Social Security Retirement taxes (6.20%) normally due before 12/31/2020 to be deferred to 12/31/2021 (50%) and 12/21/2022 (50%). You will still get credit for paying those taxes under the previous legislation, which provides for tax credits for Paid Sick Leave and Paid Leave to Care for a Child.