



# PAYCHECK PROTECTION PROGRAM

## HOW MUCH CAN I BORROW?

Loans can be up to **2.5 x** the borrower's average monthly payroll costs, not to exceed \$10 million.

### How do I calculate my average monthly payroll costs?

$$\begin{array}{|c|} \hline \text{Sum of} \\ \text{INCLUDED} \\ \text{payroll costs} \\ \hline \end{array} - \begin{array}{|c|} \hline \text{Sum of} \\ \text{EXCLUDED} \\ \text{payroll costs} \\ \hline \end{array} = \begin{array}{|c|} \hline \text{PAYROLL} \\ \text{COSTS} \\ \hline \end{array}$$

### INCLUDED Payroll Costs:

- 1. For Employers:** the sum of payments of any compensation with respect to employees that is a:
  - salary, wage, commission, or similar compensation;
  - payment of cash tip or equivalent;
  - payment for vacation, parental, family, medical, or sick leave
  - allowance for dismissal or separation
  - payment required for the provisions of group health care benefits, including insurance premiums
  - payment of any retirement benefit
  - payment of state or local tax assessed on the compensation of the employee
- 2. For Sole Proprietors, Independent Contractors, and Self-Employed Individuals:** The sum of payments of any compensation to or income of a sole proprietor or independent contractor that is a wage, commission, income, net earnings from self-employment, or similar compensation and that is in an amount that is not more than \$100,000 in one year, as pro-rated for the covered period.

### EXCLUDED Payroll Costs:

1. Compensation of an individual employee in excess of an annual salary of \$100,000, prorated as necessary
2. Federal employment taxes imposed or withheld between 2/15/20 and 6/30/20, including the employee's and employer's share of FICA, Railroad Retirement Taxes, and income taxes required to be withheld from employees
3. Any compensation of an employee whose principal place of residence is outside of the United States
4. Qualified sick and family leave wages for which a credit is allowed under sections 7001 and 7003 of the Families First Coronavirus Response Act (Public Law 116-127)

Can apply for loan forgiveness

Payments deferred for ten months

1.00% fixed interest rate

Loan is due in five years

### NON SEASONAL EMPLOYERS:

**Maximum Loan =**

2.5 X Average total monthly payroll costs incurred during the year prior to the loan date

**For businesses not operational in 2019:**

2.5 X Average total monthly payroll costs incurred for January and February 2020

### SEASONAL EMPLOYERS:

**Maximum Loan =**

2.5 X Average total monthly payroll for the 12-week period beginning Feb. 15, 2019 OR Mar. 1, 2019 through Jun. 30, 2019 OR any consecutive 12-week period between May 1, 2019 and Sept. 15, 2019

Updated 7.9.2020



Paycheck Protection Program  
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