

Federal Paycheck Protection Program Application

CLIENTS, ASSOCIATES, AND FRIENDS:

Undoubtedly most of your email boxes and social media accounts have been flooded with articles and memorandums relating to the many Federal and state initiatives that have been acted upon in record time to mitigate the harm done to individuals and businesses by COVID-19. We will be sending you our analyses of many of these initiatives. However, in light of the immediacy and significance of the Paycheck Protection Program (PPP), we wanted to share this information immediately.

According to an article published in the Journal of Accountancy, applications for small business PPP loans will be accepted beginning April 3. The article notes that the U.S. Treasury urges those in need of funding to apply quickly, noting that the program has a cap and demand is likely to be high.

The PPP program is a \$349 billion program that was enacted as part of last week's Coronavirus Aid, Relief, and Economic Security (CARES) Act. Under this program, small businesses, including not-for-profits, with 500 or fewer employees are eligible for forgivable loans to pay up to eight weeks of payroll costs, including benefits; as well as certain other costs.

The loans will be forgiven so long as the funds are spent on the above-noted allowable costs. The maximum amount of the allowable loan is 250% of the average monthly payroll during the period February 15, 2019 through June 30, 2019 (although some sources state that the average monthly payroll should be calculated on the entire 2019 payroll).

The application process is simple and should take no more than 15 minutes if you have the average payroll information available. The application can be found by clicking the following link: [Paycheck Protection Program Application](#).

Please do not hesitate to reach out to us if we can be of any assistance in completing the application.


Milligan & Company, LLC