



PPP Provision	Initial PPP Rule	New PPPFA Rule
Loan Maturity Extended Loans must be fully paid within:	2 years	5 years CAVEAT: only applies to loans made after June 5th, 2020. Lenders and borrowers can renegotiate the maturity of the previous PPP loan
Loan Application Extended Loans must be applied for by:	June 30th, 2020	August 8, 2020
Loan Forgiveness Period Extended Loan Proceeds must be spent during the "Covered Period" which begins on the date the funds were disbursed and ends:	8-weeks from the date loan funds were disbursed OR 8-weeks from the elective "Alternate Payroll Covered Period" which starts on the first day of the pay period following the date of the loan funds disbursement	Earlier of: 24-weeks from disbursement OR December 31, 2020 CAVEAT: Borrowers can keep their original CARES 8-week forgiveness period (i.e. "Covered Period" or "Alternate Covered Period") for loans issued prior to June 5, 2020.
Rehiring and Compensation Restoration Period Extended FTE's and compensation reductions can be ignored if restored to February 15th, 2020 levels by:	June 30, 2020	December 31, 2020
Inability to Rehire to Full Operation The amount of a PPP loan that is forgiven will not be reduced if the borrower fails to restore FTE levels by December 31, 2020 if you an document the following:	CARE Act did not permit this provision	1. Borrower can document inability to: Rehire individuals who were employed on Feb 15, 2020 AND hire similarly qualified employees on for before December 31st, 2020 2. Inability to return to return to pre-February 15th, 2020 level of business activity because its complying with COVID-19 regulations/guidance issued by the DoH, CDC, and OSHA between March 1st - December 1st, 2020
Non-payroll Costs 40% of loan can be spent for non-payroll costs:	Under the CARES Act, only 25% of the amount being forgiven could be spent on non-payroll costs	Up to 40% of the amount being forgiven can be spent on non-payroll costs CAVEAT: If non-payroll costs exceed 40% of the PPP loan, NONE of the PPP loan will be forgiven
Loan Deferral There is an extension of the loan payment deferral period:	6 months from the date of loan origination	Until the date that the amount of the loan forgiveness can be determined CAVEAT: Business must begin making payments 10 months after the last date of the 8 to 24 week loan use period if borrower does not apply for loan forgiveness.
Tax Deferral CARES Act Payroll Tax Deferral Program:	Not allowed if borrower received the PPP loan forgiveness	Allows taxpayers with forgiven loans to defer payment of the payroll taxes.

PPP Standard Application vs. EZ Application

The EZ application applies to any size loan in one of the three categories:

1. Self-employed borrowers with no employees
2. Borrowers who did not reduce salaries or wages of employees by more than 25% and did not reduce the number or average paid hours of employees (with some exceptions).
3. Borrowers who did not reduce salaries or wages by more than 25% and experienced reductions in business activity as a results of COVID-19 related health directives.