

# PAYCHECK PROTECTION PROGRAM (PPP)

The Paycheck Protection Program (PPP) provides funds to small businesses to support ongoing costs including payroll and benefits, interest on mortgages, rent, and utilities. The PPP aims to help small businesses keep their workers on their payroll. PPP funds are first come, first served. Apply **as soon as possible**. If you meet certain conditions, you may not have to pay the loan back (details below).

## WHO IS ELIGIBLE TO APPLY?

Small businesses (less than 500 employees) and sole-proprietors that were in operation by February 15, 2020 and have a Tax ID. **Immigrant business owners meeting these qualifications are eligible to apply**. Also eligible are independent contractors, nonprofit organizations, veterans organizations and tribal business concerns.

## WHEN + HOW DO I APPLY?

Applications for small businesses opened April 3, 2020. Applications for independent contractors will open April 10, 2020.

You can submit an application through an SBA-approved lender. Contact the bank where you have a business account to find out if they are an SBA-approved lender, or search for them here: <https://www.sba.gov/paycheckprotection/find>. If you don't currently have a business account with a bank, find an approved lender at the link above and contact them to find out if you can open an account and apply for PPP.

## WHAT WILL I NEED TO APPLY?

You will likely need to submit additional documentation with your PPP application (**requirements differ by lender**). You do not have to show proof of loss of income in order to be eligible for PPP. These are the types of documents that lenders may request:

- Business and Personal Tax Returns (1-3 years)
- 2020 Interim Financial Statements
- Payroll information: IRS Forms 940, 941, W-3, and/or Detailed Payroll Summary Report
- Business Property Mortgage Statement or Lease Agreement + business Property Utility Bills
- SBA Personal Financial Statement (SBA Form 413)

## QUESTIONS?

If you are an immigrant small business owner or have questions about PPP and immigration, Global Detroit may be able to help. Call or email us at:

(313) 676-9905

[info@globaldetroitmi.org](mailto:info@globaldetroitmi.org)

## HOW MUCH CAN I APPLY FOR?

The maximum loan amount is **2.5 times your average monthly payroll costs** (not to exceed \$10 million). Payroll costs include:

- Salary, wages, commission for employees who live in the US, including employees who are immigrants
- Payment of cash tip or equivalent
- Payment for vacation, parental, family, medical or sick leave
- Allowance for employee dismissal or separation
- Payment for group health care benefits, including insurance premiums and retirement benefits
- Payment of state or local tax

## FORGIVENESS + DEFERRAL

Loan payments will be deferred for at least six months, and up to a year. You can apply in writing to your lender to have your loan forgiven (you will not have to pay it back) if:

- You spent at least 75% of the funds on payroll, and the rest on utilities, mortgage or rent, interest on debt obligations, or benefits
- You hired back staff that you laid off during the loan period by June 30, 2020 and you have not laid off more than 25% of your staff

## AFTER YOU APPLY

Once you receive an **SBA tracking number** you are in queue to be approved. After that, SBA will give your bank a loan authorization, and the bank will disburse funds to you. Ideally this will take just a few weeks.

## ADDITIONAL RESOURCES

For updates to this document and more COVID-19 related resources, visit [globaldetroitmi.org/covid19](https://globaldetroitmi.org/covid19)

*The information in this document has been verified to the best of our abilities but should not be considered as tax or legal advice. We strongly recommend consulting with an accountant and/or lawyer before taking action. Global Detroit cannot guarantee that there are no mistakes or errors despite our best efforts and, given the rapidly changing nature in current circumstances, changes may occur after time of publication that impact the accuracy of the information in this document. This document was last updated on April 9, 2020.*

