

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. You have until June 30, 2020, to complete a PPP loan application. If you spend the loan within 24 weeks and 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 the second round of PPP funding opened on April 27, 2020, and are open until June 30, 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 use them to apply for PPP. You can also apply online on some banks' websites, or through online providers like [Paypal](#) or [Community Reinvestment Fund](#).

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

HOW MUCH CAN I APPLY FOR?

You'll have 24 weeks to spend your loan funds. 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

To apply for full or partial forgiveness (you won't have to pay the loan back), complete this form and submit it to your lender within 10 months of receiving your loan: <https://bit.ly/PPPForgive2>. Loan payments will be deferred until your lender receives your forgiveness amount from the SBA. You may be eligible for forgiveness if:

- You spent at least 60% 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 December 31, 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 if your loan is approved. Ideally this will take just a few weeks.

For more COVID-19 resources, visit 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 June 22, 2020.

