



**Division of Small Business
& Technology Development**

Paycheck Protection Program (PPP) Round 2

Empire State Development

A Division of Empire State Development

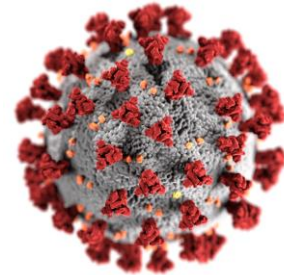
3/4/2021

As part of the Consolidated Appropriations Act, 2021, the Paycheck Protection Program (PPP) has been provided with an additional \$284 billion of loan funds to support small businesses and other eligible entities impacted by the COVID-19 pandemic

In addition to providing new funding, the act makes several changes to allowable expenses and eligible firms and allows for firms that previously received a Paycheck Protection Program Loan to take a “second draw” loan provided they meet certain qualifying criteria.

Guidelines for new borrowers that did not previously receive a Paycheck Protection Program loan are substantially similar to the original program while narrower guidelines must be met by “second draw” borrowers to receive a second disbursement.

This presentation is based upon the rules as they exist at the time of its creation and further refinements to the program may be made in the future by the Small Business Administration and the United States Congress. It is intended as an overview and not an exhaustive guide to every situation or rule for every business. Please consult an authorized SBA PPP lender for further clarification and guidance.



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Paycheck Protection Program – For All Borrowers

- The Paycheck Protection Program (**PPP**) will provide small businesses with loans that may be partially or fully **forgiven** and are 100% federally guaranteed.
- The program **leverages the existing SBA 7(a) lenders and program**, while increasing the available amount of funds, improving loan terms, streamlining borrower requirements, and providing for the expansion of eligible lenders of SBA PPP Loans.
- There are **no collateral requirements or personal guarantees** for the loan.
- There are **no application fees, no yearly fees, guarantee fees or prepayment penalties**.
- SBA “**credit elsewhere**” test does not apply to this loan. **Businesses that receive PPP loans may also receive loans from other lenders or programs and are allowed to obtain credit from other institutions.**
- Lenders will be accepting new first draw **applications on January 11, 2021**
- **Second Draw Applications begin on January 13, 2021.**



Paycheck Protection Program – Uses for All Borrowers

Borrowers will be **required to make a good faith certification** that the loan proceeds will be used for covered expenses including:

- **Payroll costs.**
- Costs related to periods of paid sick, medical, or family leave.
- **Insurance costs** (including Group Health Insurance, Dental and Vision Plans, Life Insurance and Disability benefits)
- Federal Income and FICA Taxes.
- **Employee and owner compensation (with caps).**
- **Business related mortgage interest** payments (not principal), **rent payments, utility payments.**
- **Interest on any other business debt obligations** that were incurred prior to February 15, 2020.
- **Borrowers may choose a covered expense period of no less than eight and no more than twenty-four weeks once they receive their loan.**



Paycheck Protection Program – Loan Terms for All borrowers

- **Interest rate is 1%** per annum with term of 5 years.
- Loan **repayments will be deferred** until the forgiveness amount is calculated and remitted to lender by the Small Business Administration (or in the case of failure to request forgiveness, 10 months after the end of the borrowers covered period).
- Entities **must have been operational by February 15, 2020**, had payroll and paid taxes.
- If the business has already received an SBA Economic Injury Disaster Loan (EIDL) prior to the introduction of the program and chooses to refinance that loan with a PPP Loan, **the outstanding EIDL loan amount can be added to the loan amount**, subject to the loan million cap.
- **Applicants are eligible to apply until March 31, 2021** or until program funding is exhausted.

Paycheck Protection Program – Loan Amounts

FOR FIRST TIME BORROWERS:

- Applicants can apply for a loan up to a **maximum of \$10 million**, from participating lenders. **Loan amounts are based on previous payroll and covered cost amounts up to 2.5 times average monthly “payroll costs”** up to \$10 million.

FOR SECOND DRAW BORROWERS:

- Applicants can apply for a loan up to a **maximum of \$2 million**, from participating lenders. **Loan amounts are based on previous payroll and covered cost amounts up to 2.5 times average total monthly “payroll costs”** up to \$2 million **or up to 3.5x the average total monthly “payroll costs”** for any business that is **classified under Code 72 by the North American Industry Classification System (NAICS)**. (which includes certain hospitality and entertainment businesses, restaurants, hotels, and casinos)

SECOND DRAW BORROWERS must also demonstrate:

- They have used or will use all of the proceeds from their first PPP loan; and
- Had a 25% or greater reduction of “gross receipts” when comparing any quarter in 2020 to the same quarter in 2019.



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Paycheck Protection Program – Eligible Businesses for 1st Loan

- A **small business with fewer than 500 employees** (or a business in an industry that has an *employee*-based size standard through SBA that is higher than 500 employees) including seasonal employers.
- **Certain 501(c)(3) nonprofits** with fewer than 500 employees **and 501(c)(6) nonprofits** with fewer than 300 employees.
- **Tribal businesses** defined under section 31(b)(2)(C) with fewer than 500 employees.
- Faith Based organizations with fewer than 150 employees.
- Housing cooperatives they employ fewer than 300 employees.
- 501(c)(19) **veteran organizations** with fewer than 500 employees.
- A restaurant, hotel, or a business that falls within the North American Industry Classification System (**NAICS**) code **72**, **“Accommodation and Food Services,”** and each of your locations has fewer than 500 employees.
- Businesses in the hospitality and restaurant industries, can be franchises that are **approved on the SBA’s Franchise Directory.**
- Businesses that receive financial assistance from **the Small Business Investment Company (SBIC) program.**
- ***Sole proprietors, independent contractors, gig economy workers, and self-employed individuals are all eligible for the Paycheck Protection Program (Form 1040 Schedule C).***



Paycheck Protection Program – Eligible Businesses for 2nd Loan

- A small business with fewer than **300** employees including seasonal employers.
- **Certain 501(c)(3) and 501(c)(6) nonprofits** with fewer than **300** employees.
- **Tribal businesses** defined under section 31(b)(2)(C) with fewer than **300** employees.
- Faith Based organizations with fewer than 150 employees.
- Housing cooperatives they employee fewer than 300 employees.
- 501(c)(19) **veteran organizations** with fewer than **300** employees.
- A restaurant, hotel, or a business that falls within the North American Industry Classification System (**NAICS**) code **72**, **“Accommodation and Food Services,”** and each of your locations has fewer than **300** employees.
- Businesses in the hospitality and restaurant industries, can be franchises that are **approved on the SBA’s Franchise Directory**.
- Businesses that receive financial assistance from **the Small Business Investment Company (SBIC) program**.
- ***Sole proprietors, independent contractors, gig economy workers, and self-employed individuals are all eligible for the Paycheck Protection Program (Form 1040 Schedule C).***



Paycheck Protection Program –Businesses NOT ELIGIBLE

- **Lobbying organizations**
- **Organizations involved in political activities or public policy**
- **Lenders or financial services businesses**
- **Cannabis businesses** (or any other businesses that deal with products that are illegal at the federal level);
- **Household employers** (such as those who employ housekeepers or nannies)
- **Businesses that have defaulted on SBA or federal loans**
- **Any business that is at least 20% owned by someone who is currently incarcerated, on probation, on parole, or subject to an indictment**
- **Any business that is at least 20% owned by someone who has been convicted of a felony within the last five years**
- **Entities affiliated with the People’s Republic of China** or Hong Kong or that have a member on their board of directors that is a resident of the People’s Republic of China
- **Registrants under the Foreign Agents Registration Act**
- **Entities that have received or will receive a grant under the Shuttered Venue Operator Grant program**



Paycheck Protection Program – Payroll Cost Calculations

- Payroll costs for businesses include **salaries, wages, cash tips, payments for vacation, parental, family, medical, or sick leave, and group health care benefits**, as well as certain other employment-related expenses.
- Payroll **costs for sole proprietors and independent contractors includes wages and net earnings** from self-employment (2019 or 2020 Form 1040 Schedule C)
- Compensation for an individual employee, sole proprietor or independent contractor above \$100,000 annually (pro-rated for the period – not including retirement benefits and health care coverage) **is excluded from the calculation.**
- The **average payroll will be calculated over** (i) **12 months prior to the loan origination**, (ii) for seasonal employers, the period between February 15, 2019 through June 30, 2019 or, at the election of the borrower, March 1, 2019 through June 30, 2019, or (iii) the period between January 1, 2020 and February 29, 2020 for businesses not in operation during the period between February 15, 2019 and June 30, 2019. Form 1040 Schedule C Individuals use 2019/2020 form line 7 ‘Gross Income’ divided by 12 for monthly rate.



Paycheck Protection Program – Loan Forgiveness

- The Act establishes that the borrower is eligible for loan forgiveness equal to the amount spent on forgivable expenses by the borrower during an 8 to 24-week period after the origination date of the PPP loan.
- **To receive any forgiveness, 60% of the loan proceeds MUST be used for payroll related purposes**
- No more than 40% of forgiven amount can be for non-payroll costs.
- Amounts forgiven may not exceed the principal amount of the loan and accrued interest.
- Loan proceeds used for any other purposes will NOT be forgiven.



Prior to filing for forgiveness, it is strongly suggested that you consult your lender and/or other financial advisors to determine the most beneficial course of action for you.

Future legislation or changes to documentation requirements by the Small Business Administration and Treasury Department may alter these requirements and exemptions.



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Paycheck Protection Program – Loan Forgiveness (continued)

<u>At least 60% of the loan must be spent on:</u>	First Draw Borrowers of Round 2	Second Draw Borrowers	First Draw Borrowers of Round One <u>not yet forgiven</u>	First Draw Borrowers of Round One <u>already forgiven</u>
Employee payroll costs*	X	X	X	X
Group health insurance payments	X	X	X	X
Dental and vision plans	X	X	X	X
Disability benefits	X	X	X	-
Life insurance	X	X	X	-
Owner compensation costs**	X	X	X	X

* These include salaries, wages, tips and commission, and are capped at \$15,385 within an eight-week covered period or \$46,154 within a 24-week covered period for each employee.

**These are capped at eight weeks worth of the net profit earned in 2019—but not more than \$15,385; or two and a half months worth of net profit earned in 2019—but not more than \$20,833, depending on the covered period.



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Paycheck Protection Program – Loan Forgiveness (continued)

<u>Up to 40% of the loan can be spent on:</u>	First Draw Borrowers of Round 2	Second Draw Borrowers of Round 2	First Draw Borrowers of Round One <u>not yet forgiven</u>	First Draw Borrowers of Round One <u>already forgiven</u>
Paid time off and leave for employees*	X	X	X	X
Pension and retirement plans	X	X	X	X
Federal income and FICA taxes	X	X	X	X
State unemployment insurance	X	X	X	X
Utilities	X	X	X	X
Rent	X	X	X	X
Interest on mortgage payments	X	X	X	X
Business software or cloud services that facilitate business operations**	X	X	X	-
Costs related to property damage, vandalism or looting due to unrest that occurred in 2020	X	X	X	-
Supplier costs that are essential to the operations of the business	X	X	X	-
PPE that help businesses comply with Federal and State COVID-19 safety guidelines (like face masks)	X	X	X	-
Measures that help businesses comply with Federal and State COVID-19 safety guidelines (like plastic separators)	X	X	X	-

*If you use FFCRA tax credits to cover these, then they will not be considered eligible expenses.

**These include software or cloud services that facilitate product or service delivery, processing payments, tracking of payroll expenses, human resources, sales and billing functions, accounting, tracking supplies and/or inventory, tracking records and/or expenses.



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Paycheck Protection Program – Loan Forgiveness (continued)

The purpose of the Paycheck Protection Program is to help you retain your employees, at their current base pay.

- **If you keep all of your employees and use at least 60% of your loan proceeds on payroll and related expenses, the entirety of the actual forgivable costs will be forgiven.**
- If you still lay off employees, the forgiveness *may be reduced* by the percent decrease in the number of employees (there are exemptions).
- If your total payroll expenses on workers making less than \$100,000 annually decreases by more than 25 percent, loan forgiveness *may be reduced* by the same amount.
- **If you have already laid off some employees, you can still be forgiven for the full amount of your payroll cost if you rehire your employees by the end of your covered period.**
- If the full principal of the PPP loan is forgiven, the borrower is not responsible for the interest accrued in the 24-week covered period. Any remainder of the loan that is not forgiven will convert into a 5-year loan at 1% interest.
- PLEASE NOTE: New York State follows the federal treatment for both personal income and corporation taxes. If the forgiven loan is excluded from federal income, it is also excluded from New York income.



Paycheck Protection Program – Loan Forgiveness Exemptions

The Paycheck Protection Flexibility Act added an exemption to the FTE Reduction calculation.

A borrower can request an exemption from the normal forgiveness reductions due to reduced payroll for the period beginning February 15, 2020 and ending December 31, 2020 (or the end of your covered period for loans originated in 2021), provided the borrower can document:

- An inability to rehire employees who were employed as of February 15, 2020, and
- An inability to hire similarly qualified employees for unfilled positions on or before December 31, 2020 (or the end of your covered period), *or*
- An inability to return to the same level of business activity as such business was operating at before February 15, 2020, due to compliance with requirements and guidelines issued by Health and Human Services, CDC or OSHA during March 1, 2020 to December 31, 2020 (or the end of your covered period) related to certain protocols for responding to COVID-19.



PPP Loan Forgiveness – Choosing the Correct Form

Borrowers should check with their lender to determine whether the lender has their own form.

If they do not there are three possible SBA claim forms:

[PPP Loan Forgiveness Application Form 3508S](#)

- This form is specifically for borrowers of \$150,000 or less. This special streamlined form may only be used in this circumstance.

[PPP Loan Forgiveness Application Form 3508EZ](#)

You may use this simplified form provided:

- You are a self-employed individual, independent contractor, or sole proprietor with no employees at the time of the PPP loan application and did not include any employee payroll expense in the average monthly payroll expense calculation on that application; OR
- You certify that you did not reduce annual salary or wages by more than 25% during the chosen 8 or 24-week period compared to Q1 2020 AND the number of employees or average paid hours of employees was restored to their averages by the end of the chosen period. You can ignore reductions that were due to an inability to rehire individuals, hire a similarly qualified employee, or restore hours in the case of an employee's refusal. This is essentially you certifying that you did not breach the terms of headcount reduction; OR
- You certify that you did not reduce annual salary or wages by more than 25% during the chosen 8 or 24-week period compared to Q1 2020 AND you were unable to operate at the same level of business activity due to compliance with requirements related to any work or customer safety requirement related to COVID-19.

WARNING: If you certify any of the above falsely to receive forgiveness and your application is audited, you could be punished with imprisonment and a fine.

And [PPP Loan Forgiveness Application Form 3508](#) for all other borrowers.



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Paycheck Protection Program and SBA EIDL Loans

If I have applied for or received an Economic Injury Disaster Loan (EIDL) related to COVID-19 before the Paycheck Protection Program became available, you will be able to refinance into a PPP loan.

- **If you received an EIDL loan related to COVID-19 between January 31, 2020 to April 3, 2020 you would be able to refinance the EIDL into the PPP for loan forgiveness purposes.**
- **You cannot take out EIDL and a PPP loans for the same purposes. Remaining portions of the EIDL, for purposes other than those laid out in loan forgiveness terms for a PPP loan, would remain a loan.**
- **If you took advantage of an emergency EIDL grant award of up to \$10,000, that amount is no longer subtracted from the amount forgiven under the Paycheck Protection Program and need not be included in the refinanced loan.**



Start preparing – Collecting Data

Gather documents that provide proof of payment for allowable expenses under Paycheck Protection Program and be ready to make related certifications for the application:

For Employers with employees on payroll:

Your previous 12 months of payroll and related expenses. All eligible expenses to be accounted for:

- Wages, Commissions, Cash tips or equivalent (Form 941- Payroll Tax Statements)
- Payroll provider statements (if applicable)
- Other forms of compensation (note what they are along with amounts)
- Health care benefits
- Insurance
- Payment for vacation, parental, family, medical, or sick leave
- Payment of any retirement benefit
- Payment of state or local tax assessed on the compensation of the employee

For employers with tipped employees, additional wages paid to those employees:

- A full list of Employee Names and wages paid

EXCLUDED Payroll Costs:

- Compensation of an individual employee in excess of an annual salary of \$100,000, as prorated for the period February 15, to June 30, 2020
- Payroll taxes, railroad retirement taxes, and income taxes
- Any compensation of an employee whose principal place of residence is outside of the United States
- Qualified sick leave wages for which a credit is allowed under section 7001 of the Families First Coronavirus Response Act (Public Law 116– 5 127); or qualified family leave wages for which a credit is allowed under section 7003 of the Families First Coronavirus Response Act



Start preparing – Collecting Data (continued)

For Sole Proprietors, Independent Contractors, and Self-Employed Individuals

Proof of payments of any compensation or income of a sole proprietor or independent contractor that is:

- A wage or commission or other 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
- 2019 Form 1040 Schedule C, 2019 Form 1099-MISC
- Proof of operation on February 15th, 2020

Other eligible expenses:

Interest on the mortgage obligation incurred in the ordinary course of business.

Interest on other debt obligations incurred before Feb. 15, 2020.

Rent on a leasing agreement.

- Copy of a current lease
- Proof of rent paid

Payments on utilities: Include bills and payments made for:

- Electricity
- Gas
- Water
- Transportation
- Telephone
- Internet



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Start preparing – Collecting Data (continued)

Each lender may have different requirements, but you can begin collecting some commonly required documents, including:

- Copy of Photo ID for all owners who own 20% of the business or more
- 2019 and 2020 Profit and Loss Statements to show revenue loss during 2020
- 2019 Business Tax Returns
 - For partnerships – include [IRS Form 1065](#) and [Schedule K-1](#)
 - For sole proprietors – include [IRS Form 1040 Schedule C](#)
- [Articles of Incorporation](#) / Business Organizational Documents
- Payroll Reports with a list of gross wages, paid time off, and taxes assessed for all employees for all 12 months of 2020
- 2020 Employer IRS Documents (including one of the following for all 4 quarters of 2020):
 - [Form 941](#): Employer's Quarterly Federal Tax Return
 - [Form 944](#): Employer's Annual Federal Tax Return (for smallest employers)
 - [Form 940](#): Employer's Annual Federal Unemployment (FUTA) Tax Return
 - [Form W-3](#): Transmittal of Wage and Tax Statements
- Documentation to support Health Insurance and Retirement expenses incurred as a part of payroll expenses (for example: a statement from insurance or retirement company)



Sample Applications – subject to change

SBA Form 2483 – Form for First Time Borrowers

SBA Form 2483SD- Second Draw Borrowers

Paycheck Protection Program Borrower Application Form Revised January 8, 2021

OMB Control No.: 3207-0047 Expiration Date: 7/31/2021

Check One: Sole Proprietor Partnership C-Corp S-Corp LLC Independent Contractor Self-Employed Individual 501(c)(3) nonprofit 501(c)(6) organization 501(c)(19) veterans organization Housing cooperative Tribal Business Other

DBA or Trade Name (if applicable) _____ **Year of Establishment (if applicable)** _____

Business Legal Name _____ **NAICS Code** _____

Business Address (Street, City, State, Zip Code - No P.O. Box addresses allowed) _____ **Business TIN (EIN, SSN)** _____ **Business Phone** _____

Primary Contact _____ **Email Address** _____

Average Monthly Payroll: \$ _____ **x 2.5 + EIDL (Do Not Include Any EIDL Advances equals Loan Request Amount):** \$ _____ **Number of Employees:** _____

Purpose of the loan (check all that apply): Payroll Costs Rent / Mortgage Interest Utilities Covered Operations Expenditures Covered Property Damage Covered Supplier Costs Covered Worker Protection Expenditures Other (explain): _____

Applicant Ownership
List all owners of 20% or more of the equity of the Applicant. Attach a separate sheet if necessary.

Owner Name	Title	Ownership %	TIN (EIN, SSN)	Address

If questions (1), (2), (3), or (6) are answered "Yes," the loan will not be approved.

Question	Yes	No
1. Is the Applicant or any owner of the Applicant presently suspended, debarred, proposed for debarment, declared ineligible, voluntarily excluded from participation in this transaction by any Federal department or agency, or presently involved in any bankruptcy?		
2. Has the Applicant, any owner of the Applicant, or any business owned or controlled by any of them, ever obtained a direct or guaranteed loan from SBA or any other Federal agency that is (a) currently delinquent, or (b) has defaulted in the last 7 years and caused a loss to the government?		
3. Is the Applicant or any owner of the Applicant an owner of any other business, or have common management (including a management agreement) with any other business? If yes, list all such businesses (including their TINs if available) and describe the relationship on a separate sheet identified as addendum A.		
4. Did the Applicant receive an SBA Economic Injury Disaster Loan between January 31, 2020 and April 3, 2020? If yes, provide details on a separate sheet identified as addendum B.		
5. Is the Applicant (if an individual) or any individual owning 20% or more of the equity of the Applicant presently incarcerated or, for any felony, presently subject to an indictment, criminal information, arraignment, or other means by which formal criminal charges are brought in any jurisdiction? <i>Initial here to confirm your response to question 5:</i> _____		
6. Within the last 5 years, for any felony involving fraud, bribery, embezzlement, or a false statement in a loan application or an application for federal financial assistance, or within the last year, for any other felony, has the Applicant (if an individual) or any owner of the Applicant (1) been convicted, (2) pleaded guilty, (3) pleaded not guilty, or (4) commenced any form of parole or probation (including probation before judgment)? <i>Initial here to confirm your response to question 6:</i> _____		
7. Is the United States the principal place of residence for all employees included in the Applicant's payroll calculation above?		
8. Is the Applicant a franchise?		
9. Is the franchise listed in the SBA's Franchise Directory? If yes, enter the SBA Franchise Identifier Code here: _____		

SBA Form 2483 (1/21) 1

Paycheck Protection Program Second Draw Borrower Application Form

OMB Control No.: 3207-0047 Expiration Date: 7/31/2021

Check One: Sole Proprietor Partnership C-Corp S-Corp LLC Independent Contractor Self-Employed Individual 501(c)(3) nonprofit 501(c)(6) organization 501(c)(19) veterans organization Housing cooperative Tribal Business Other

DBA or Trade Name (if applicable) _____ **Year of Establishment (if applicable)** _____

Business Legal Name _____ **NAICS Code** _____

Business Address (Street, City, State, Zip Code - No P.O. Box addresses allowed) _____ **Business TIN (EIN, SSN)** _____ **Business Phone** _____

Primary Contact _____ **Email Address** _____

Average Monthly Payroll: \$ _____ **x 2.5 (or x 3.5 for NAICS 72 applicants equals Loan Request Amount (may not exceed \$2,000,000)):** \$ _____ **Number of Employees (including affiliates, if applicable; may not exceed 300):** _____

Purpose of the loan (check all that apply): Payroll Costs Rent / Mortgage Interest Utilities Covered Operations Expenditures Covered Property Damage Covered Supplier Costs Covered Worker Protection Expenditures Other (explain): _____

PPP First Draw SBA Loan Number: _____

Reduction in Gross Receipts of at Least 25%: Applicants for loans of \$158,000 or less may leave blank but must provide upon or before seeking loan forgiveness or upon SBA request.

2020 Quarter (e.g., 2Q 2020): Gross Receipts: \$ _____

Reference Quarter (e.g., 2Q 2019): Gross Receipts: \$ _____

Applicant Ownership
List all owners of 20% or more of the equity of the Applicant. Attach a separate sheet if necessary.

Owner Name	Title	Ownership %	TIN (EIN, SSN)	Address

If questions (1), (2), (3), (4), or (5) are answered "Yes," the loan will not be approved.

Question	Yes	No
1. Is the Applicant or any owner of the Applicant presently suspended, debarred, proposed for debarment, declared ineligible, voluntarily excluded from participation in this transaction by any Federal department or agency, or presently involved in any bankruptcy?		
2. Has the Applicant, any owner of the Applicant, or any business owned or controlled by any of them, ever obtained a direct or guaranteed loan from SBA or any other Federal agency that is (a) currently delinquent, or (b) has defaulted in the last 7 years and caused a loss to the government?		
3. Is the Applicant or any owner of the Applicant an owner of any other business, or have common management (including a management agreement) with any other business? If yes, list all such businesses (including their TINs if available) and describe the relationship on a separate sheet identified as addendum A.		
4. Is the Applicant (if an individual) or any individual owning 20% or more of the equity of the Applicant presently incarcerated or, for any felony, presently subject to an indictment, criminal information, arraignment, or other means by which formal criminal charges are brought in any jurisdiction? <i>Initial here to confirm your response to question 4:</i> _____		
5. Within the last 5 years, for any felony involving fraud, bribery, embezzlement, or a false statement in a loan application or an application for federal financial assistance, or within the last year, for any other felony, has the Applicant (if an individual) or any owner of the Applicant (1) been convicted, (2) pleaded guilty, (3) pleaded not guilty, or (4) commenced any form of parole or probation (including probation before judgment)? <i>Initial here to confirm your response to question 5:</i> _____		
6. Is the United States the principal place of residence for all employees included in the Applicant's payroll calculation above?		
7. Is the Applicant a franchise?		
8. Is the franchise listed in SBA's Franchise Directory? If yes, enter SBA Franchise Identifier Code here: _____		

SBA Form 2483-SD (1/21) 1



Sample Applications Schedule C – subject to change

SBA Form 2483-C – First Time Borrowers w/1040c

SBA Form 2483SD-C - Second Draw w/1040C

**Paycheck Protection Program
Borrower Application Form for Schedule C Filers Using Gross Income**
March 3, 2021

OMB Control No. 1545-0047
Expiration Date: 10/30/2021

AN APPLICANT MAY USE THIS FORM ONLY IF THE APPLICANT FILES AN IRS FORM 1040, SCHEDULE C, AND USES GROSS INCOME TO CALCULATE PPP LOAN AMOUNT

Check One: <input type="checkbox"/> Sole proprietor <input type="checkbox"/> Independent contractor <input type="checkbox"/> Self-employed individual	DBA or Tradename (if applicable)	Year of Establishment (if applicable)
Business Legal Name	NAICS Code	Applicant (including affiliates, if applicable) Meets Size Standard (check one): <input type="checkbox"/> No more than 500 employees (or 500 employees, if applicable) unless "yet another" exception applies <input type="checkbox"/> SBA industry size standard <input type="checkbox"/> SBA alternative size standard
Business Address (Street, City, State, Zip Code - No P.O. Box address allowed)	Business TIN (EIN, SSN, ITIN)	Business Phone
	Primary Contact	Email Address
Total Amount of Gross Income (from IRS Form 1040, Schedule C, Line 7)	Tax Year Used for Gross Income	Number of Employees (including owners and affiliates, if applicable; may not exceed 500 unless "yet another" exception applies):
\$	<input type="checkbox"/> 2019 <input type="checkbox"/> 2020	

If you do not have any employees (other than owners), complete this table:

A. Your gross income amount from 2019 or 2020 IRS Form 1040, Schedule C, line 7:	B. Divide A by 12 of more than \$8,333.33; enter \$8,333.33:	2.5 = EIDL (Do Not Include Any EIDL Advances) equal Loan Request Amount:
\$	\$	\$

If you have employees (other than owners), complete this table:

A. Your 2019 or 2020 IRS Form 1040, Schedule C, line 7 amount, minus the sum of line 14, line 19, and line 26:	B. Divide A by 12 of more than \$8,333.33; enter \$8,333.33:	C. Average Monthly Payroll for Employees (not including owners):
\$	\$	\$
Add B and C:	2.5 = EIDL (Do Not Include Any EIDL Advances) equal Loan Request Amount:	\$

Purpose of the loan (select all that apply):

<input type="checkbox"/> Payroll Costs (including proprietor expenses, equal to business expenses plus owner compensation)	<input type="checkbox"/> Rent / Mortgage Interest	<input type="checkbox"/> Utilities	<input type="checkbox"/> Covered Operations Expenditures
<input type="checkbox"/> Covered Property Damage	<input type="checkbox"/> Covered Supplier Costs	<input type="checkbox"/> Covered Worker Protection Expenditures	<input type="checkbox"/> Other (explain):

Applicant Ownership
List all owners of 20% or more of the equity of the Applicant. Attach a separate sheet if necessary.

Owner Name	Title	Ownership %	TIN (EIN, SSN, ITIN)	Address

SBA Form 2483-C (3/21) 1

**Paycheck Protection Program
Second Draw Borrower Application Form for Schedule C Filers Using Gross Income**
March 3, 2021

OMB Control No. 1545-0047
Expiration Date: 10/30/2021

AN APPLICANT MAY USE THIS FORM ONLY IF THE APPLICANT FILES AN IRS FORM 1040, SCHEDULE C, AND USES GROSS INCOME TO CALCULATE PPP LOAN AMOUNT

Check One: <input type="checkbox"/> Sole proprietor <input type="checkbox"/> Independent contractor <input type="checkbox"/> Self-employed individual	DBA or Tradename (if applicable)	Year of Establishment (if applicable)
Business Legal Name	NAICS Code	
Business Address (Street, City, State, Zip Code - No P.O. Box address allowed)	Business TIN (EIN, SSN, ITIN)	Business Phone
	Primary Contact	Email Address
Total Amount of Gross Income (from IRS Form 1040, Schedule C, Line 7)	Tax Year Used for Gross Income	Number of Employees (including owners and affiliates, if applicable; may not exceed 500 unless "yet another" exception applies):
\$	<input type="checkbox"/> 2019 <input type="checkbox"/> 2020	

If you do not have any employees (other than owners), complete this table:

A. Your gross income amount from 2019 or 2020 IRS Form 1040, Schedule C, line 7:	B. Divide A by 12 (if more than \$8,333.33; enter \$8,333.33):	2.5 or 2.5 for NAICS 71 applicants (may not exceed \$2,000,000):
\$	\$	\$

If you have employees (other than owners), complete this table:

A. Your 2019 or 2020 IRS Form 1040, Schedule C, line 7 amount, minus the sum of line 14, line 19, and line 26:	B. Divide A by 12 (if more than \$8,333.33; enter \$8,333.33):	C. Average Monthly Payroll for Employees (not including owners):
\$	\$	\$
Add B and C:	2.5 for 2.5 for NAICS 71 applicants (may not exceed \$2,000,000):	\$

Purpose of the loan (select all that apply):

<input type="checkbox"/> Payroll Costs (including proprietor expenses, equal to business expenses plus owner compensation)	<input type="checkbox"/> Rent / Mortgage Interest	<input type="checkbox"/> Utilities	<input type="checkbox"/> Covered Operations Expenditures
<input type="checkbox"/> Covered Property Damage	<input type="checkbox"/> Covered Supplier Costs	<input type="checkbox"/> Covered Worker Protection Expenditures	<input type="checkbox"/> Other (explain):

PPP First Draw SBA Loan Number:

Reduction in Gross Receipts of at Least 25% (Applicants for loans of \$50,000 or less may have blank but must provide explanation before seeking loan forgiveness or upon SBA request):	2020 Quarter (e.g., Q2 2020):	Reference Quarter (e.g., Q2 2019):
Gross Receipts: \$	Gross Receipts: \$	Gross Receipts: \$

Applicant Ownership
List all owners of 20% or more of the equity of the Applicant. Attach a separate sheet if necessary.

Owner Name	Title	Ownership %	TIN (EIN, SSN, ITIN)	Address

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Free Assistance for Preparing Applications

Free assistance with reconstructing financial records, preparing financial statements and submitting the loan application is available from :

SBA Small Business Development Centers (SBDC): <http://nysbdc.org/appointment.html>

Entrepreneurship Assistance Centers (EAC):

<https://esd.ny.gov/entrepreneurship-assistance-centers>

Community Development Financial Institutions (CDFI):

<https://esd.ny.gov/sites/default/files/CDFI%20List.pdf>

Business Mentor NY COVID-19 Volunteer Task Force: www.businessmentor.ny.gov

ESD Small Business Division: <https://esd.ny.gov/doing-business-ny/small-business-hub>

For the SBA nearest office, visit: <https://www.sba.gov/local-assistance>

For information on the CARES Act and your NYS Taxes visit: <https://www.tax.ny.gov/pit/cares-act-faq.htm>



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& Technology Development**

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