

Paycheck Protection Program

Loan Information

The Paycheck Protection Program is a loan designed to provide a direct incentive for small businesses to keep their workers on the payroll.

SBA will **forgive loans** if all employees are kept on the payroll for eight weeks and the money is used for payroll, rent, mortgage interest, or utilities. There is no fee to apply for a Paycheck Protection Program Loan.

For small businesses to apply, they will work directly with their own ending institution (if they are a participating lender) or they can find their closest participating lender at www.sba.gov/paycheckprotection/find. Other regulated lenders will be available to make these loans once they are approved and enrolled in the program. You should consult with your local lender as to whether it is participating in the program.

Lenders are processing loan applications with the Paycheck Protection Program available through June 30, 2020.

For affiliation rules applicable for the Paycheck Protection Program, [click here](#).

Who Can Apply

This program is for any small business with less than 500 employees (including sole proprietorships, independent contractors and self-employed persons), private non-profit organization or 501(c)(19) veterans organizations affected by coronavirus/COVID-19.

Businesses in certain industries may have more than 500 employees if they meet the [SBA's size standards](#) for those industries.

Small businesses in the hospitality and food industry with more than one location could also be eligible if their individual locations employ less than 500 workers.

In addition to the Paycheck Protection Program, the SBA has a number of other resources available to affected Small Businesses, such as an Economic Injury Loan which now includes an advance of up to \$10,000. Also, the SBA has proactively offered debt relief for existing SBA loans.

Find information about SBA's COVID-19 specific relief options, including payment protection at <https://www.sba.gov/funding-programs/loans/coronavirus-relief-options>

Loan Details and Forgiveness

The loan will be fully forgiven if the funds are used for payroll costs, interest on mortgages, rent, and utilities (due to likely high subscription, at least 75% of the forgiven amount must have been used for payroll). Loan payments will also be deferred for six months. No collateral or personal guarantees are required. Neither the government nor lenders will charge small businesses any fees.

Forgiveness is based on the employer maintaining or quickly rehiring employees and maintaining salary levels. Forgiveness will be reduced if full-time headcount declines, or if salaries and wages decrease.

This loan has a maturity of 2 years and an interest rate of 1%.

If you wish to begin preparing your application, you can download a copy of the [PPP borrower application form](#) to see the information that will be requested from you when you apply with a lender.

Other Assistance

In response to the Coronavirus (COVID-19) pandemic, small business owners in all U.S. states, Washington D.C., and territories are currently eligible to [apply for disaster assistance](#).

[Enhanced Debt Relief](#) is also available in SBA's other business loan programs to help small businesses overcome the challenges created by this health crisis.

For information on additional Lending options, please [click here](#).

SBA provides local assistance via 68 district offices and a nationwide network of resource partners. To find resources near you, please [click here](#).