

## Paycheck Protection Program Tips

- **Do not apply at several banks:** One borrower can only apply with one lender
- **Don't turn in incomplete submissions as it will delay the processing of your loan.**
- **Do get updates.** Visit the U.S. Treasury website, [linked here](#), and SBA's [web pages](#) often for updates as it provides the most current information on any changes in the program.
- **Do be patient:** In the beginning the federal government was hopeful that these loans could be processed within a few days, but the reality is that with so many businesses apply for assistance, it will take longer than was initially hoped for.
- **You cannot use IRS 1099 workers as your employees:** While this may not be an issue in the front-end when applying for the loan and calculating the relief amount, it may become an issue when small businesses are asking for the loan forgiveness down the road. Double-check your payroll calculation and total number of employees. On April 10, the SBA will allow independent contractors and self-employed individuals to apply for the loan relief program. Typically, those entities file their taxes using 1099 forms.
- **Do not start new entities and apply for loan:** The PPP program allows businesses to separately apply for a loan for every business where a person/persons may have a beneficial ownership. But all entities under one beneficial ownership must have been an active business by Feb. 15.
- **Sum of your holdings cannot go past 500 employees:** This provision is complicated. Hotels and restaurant chains are exempt from this rule, and late last week the SBA added franchise owners who employ more than 500 people to that exemption list as well. The only caveat: No single outlet could employ more than 500 people. For every other business, the 500-worker maximum number is in play.
- **Don't miscalculate:** Complete your own calculation ahead of time to make sure you borrow as much as you qualify for the PPP relief. Remember that in the event some of your loan is not forgiven in the final calculation, it will end up being a 1 percent loan for a few years — still not a bad deal.