

**From:** Tammie Horsfield [mailto:thorsfield@Sussexcountycommerce.org]

**Subject:** EIDL PROGRAM OPEN TO ALL TO APPLY & REVISED PPP FORGIVENESS APPLICATION & EZ FORM AVAILABLE

The U.S. Small Business Administration announced they have reopened the **Economic Injury Disaster Loan (EIDL) and EIDL Advance program** portal to all eligible applicants, including U.S. small businesses and nonprofits. After funds for the program were replenished in April, the SBA limited access to these funds to agricultural businesses only, and we are pleased that they have decided open applications back up to other industries in need of relief. For more information on EIDL programs, visit: <https://www.sba.gov/funding-programs/loans/coronavirus-relief-options/economic-injury-disaster-loan-emergency-advance>

In addition, the SBA released a "Revised" Payroll Protection Program application for forgiveness making changes necessitated by the PPP Flexibility Act. New guidance and a new EZ form were introduced as well.

As for the application, some notable changes include:

- The application is now five (5) pages long without all of the explanations and instructions from the first iteration. Instructions are separated into a second document.
- Changes were made to reflect the new expense ratio of 60% payroll expenses to 40% non-payroll expenses.
- The new owner-employee compensation limit of \$20,833 for a 24 week covered period and 2.5 months of 2019 net profit (up to \$20,833) of an owner-employee are identified.
- The FTE safe harbors for inability to hire or business level deficiency are included.

The SBA added an EZ form for borrowers who are either self-employed, those who did not reduce salary and wages by more than 25% and did not reduce the number of employees (except for the safe harbor exceptions), or the borrower did not reduce salary and wages by more than 25% and the borrower was unable to operate at the same level of business activity because of government regulations. The EZ form has its own set of instructions as well.

The guidance also identified the new compensation limits for non-owner and owner employees identified in the new applications. The owner employee limitation applies to the owner for ALL OF THE BUSINESSES WHICH THEY OPERATE and for which loans were taken. So, an owner employee with multiple business interests, each of which is a separate borrower, is limited to a single compensation cap, not separate caps for each business interest. In addition to the new owner-employee cap of \$20,833 for 2.5 months of 2019 net profit, the non-owner employee compensation maximum is now \$46,154.

Please visit the REVISED Loan Forgiveness Application at: <https://home.treasury.gov/system/files/136/3245-0407-SBA-Form-3508-PPP-Forgiveness-Application.pdf>.

To review the EZ form please visit: <https://home.treasury.gov/system/files/136/PPP-Forgiveness-Application-3508EZ.pdf>

Have a great day.

Best,

Tammie A. Horsfield  
President  
Sussex County Chamber of Commerce  
Sussex County Economic Development Partnership  
Sussex County DMO