




	PPP1 Loan		PPP2 Loan
	CARES Act, Including Changes Prior to Consolidated Appropriations Act	Changes made by Consolidated Appropriations Act	Consolidated Appropriations Act
Maximum Loan Amount	Loan is generally 2.5 times average monthly payroll, limited to \$10 million. Borrower can elect to use payroll for 2019 or the 12-month period prior to application.	Payroll costs now includes borrower's payment of life, disability, vision and dental insurance that are not reimbursed by the employee.	Loan is generally 2.5 times average monthly payroll, limited to \$2 million. Businesses in hospitality industry, however, can use 3.5 times average monthly payroll, limited again to \$2 million. Borrower can elect to use payroll for 2019, 2020 or the 12-month period prior to application. Payroll costs are same as PP1 as amended by CAA.
	Compensation paid to any employee in excess of \$100,000 on an annualized basis must be excluded.		Same as PPP1
	Businesses part of single corporate group are limited to \$20 million in aggregate loan proceeds.		Same as PPP1, but aggregate loan proceeds reduced to \$4 million.
	For self-employed individuals with no employees, the loan is limited to the lesser of: - \$100,000 or - 2019 IRS Form 1040 Schedule C line 31 net profit times 2.5 divided by 12. Any EIDL advance should be subtracted from the maximum loan amount.		Self-employed individuals with no employees calculate loan amount same as PPP1 but can elect to use either 2019 or 2020.
			For borrowers that did not exist during the one-year period preceding February 15, 2020, but were in operation on February 15, 2020, average monthly payroll costs are determined by dividing total monthly payroll costs paid or incurred by borrower as of date of loan application by the number of months in which those payroll costs were paid or incurred.


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Eligible Borrowers		Reopens PPP1 loans with another \$35 billion of funding for those who have not yet borrowed. Furthermore, borrowers that did not receive loan forgiveness by December 27, 2020 may reapply for a PPP1 loan if they previously returned some or all of the PPP1 loan proceeds or if, under certain circumstances, they did not accept the full amount for which they were eligible.	Only those borrowers who have already received and used the full amount of their PPP1 proceeds by the expected date of the PPP2 proceeds.
	Borrower and its affiliates must have 500 or fewer employees. Entities with more than 500 employees in certain industries that meet SBA's alternative size standards or SBA's size standards for a particular industry may also apply. Employees of foreign and domestic affiliates must be included in total employee count. Exceptions to affiliation rules apply for borrowers in the hospitality industry with fewer than 500 employees per physical location, franchisors and SBIC-financed small businesses.		Same as PPP1, but changed the number of employees from 500 to fewer than 300 and must be able to show a reduction of 25% in gross receipts during any quarter of 2020 compared to same quarter of 2019. Alternatively, a business may use annual receipts for this test if total receipts for 2020 is less than 75% of total receipts for 2019. Employees and gross receipts of foreign and domestic affiliates must be included in the calculation of total employees and any gross receipts decrease. Exceptions to affiliation rules apply for borrowers in the hospitality industry with fewer than 300 employees per physical location, franchisors, SBIC-financed small businesses, and businesses granted a license by the Federal Communication Commission that have fewer than 300 employees per physical location.
	Borrower must have been in operation on February 15, 2020 and either had employees or independent contractors, or were self-employed with no employees.		Same as PPP1
	Eligible entities include operating businesses, certain nonprofit organizations, veteran's organizations, tribal businesses, self-employed individuals, sole proprietors, and independent contractors.		Eligible entities include operating businesses, certain nonprofit organizations, housing cooperatives, veteran's organizations, tribal businesses, self-employed individuals, sole proprietors, independent contractors, and small agricultural cooperatives. Businesses that have permanently closed are not eligible.
Affiliation Rules	Borrowers are considered affiliates if: (a) common ownership - a borrower is an affiliate of an individual, concern or entity that owns or has the power to control more than 50 percent of the borrower's voting equity. If no one owns greater than 50 percent, SBA will deem board of directors, President or Chief Executive Officer (CEO) (or other officers, managing members or partners who control the management of borrower) to be in control; (b) common management - the President or CEO (or other officers, managing members or partners who control the management of borrower) of borrower also controls the management of one or more other concerns. Management control could also be through a management agreement; or (c) identity of interest - close relatives hold identical, or substantially identical, business or economic interests (such as where the close relatives operate concerns in the same or similar industry in same geographic area) in borrower and any other entity.		Same as PPP1

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	CARES Act, Including Changes Prior to Consolidated Appropriations Act	Changes made by Consolidated Appropriations Act	Consolidated Appropriations Act
Collateral Required	None		Same as PPP1
Personal Guarantee Required	None		Same as PPP1
Interest Rate	1%		
Loan Term	Two years for loans issued on or before June 4, 2020 (borrower and lender may mutually agree to extend the maturity to 5 years). Five years for loans issued after June 5, 2020.	Five years	Same as PPP1
Loan Application Certifications	Borrower must certify current economic uncertainty makes the loan necessary to support ongoing operations of applicant and acknowledge the funds will be used to retain workers and maintain payroll or make mortgage, lease, or utility payments.		Same as PPP1, plus borrower must certify applicant: (a) was in operation on February 15, 2020 and has not permanently closed, (b) understands that if funds are knowingly used for unauthorized purposes, the federal government may hold them legally liable for charges of fraud, and (c) understands it must provide documentation for covered costs to obtain loan forgiveness and that no more than 40% of the forgiven amount may be from non-payroll costs.
Substantiation Required for Loan Application			No documentation required if borrower (a) used calendar year 2019 payroll costs for PPP1 loan application, (b) intends to use calendar year 2019 payroll costs for PPP2 loan application, and (c) used the same lender for both PPP1 and PPP2.
	Applicant must provide relevant tax forms, Forms 941, and state quarterly wage unemployment insurance form for each quarter of the period used for payroll costs, along with evidence of any retirement and health insurance contributions. Must also provide payroll statement or similar documentation from pay period that covered February 15, 2020 to establish in operation on that date.		Same as PPP1, plus must provide relevant tax forms, quarterly financial statements, or bank statements to substantiate the revenue reduction of 25% or greater for any loan greater than \$150,000. For loans not greater than \$150,000, documentation sufficient to establish applicant experienced a reduction in revenue is required at time of loan application, loan forgiveness, or SBA's request.
	For a self-employed individual with no employees, your 2019 IRS Form 1040, Schedule C must be provided. You must also provide a 2019 IRS Form 1099-MISC detailing non-employee compensation received, IRS Form 1099-K, invoice, bank statement, or a book of record establishing that you were self-employed in 2019 and a 2020 invoice, bank statement, or book of record establishing you were in operation on February 15, 2020.		Same as PPP1
Definition of Gross Receipts			Gross receipts do not include PPP1 loan forgiveness and include gross receipts from whatever source received or accrued (in accordance with the entity's accounting method), including sales of products or services, interest, dividends, rents, royalties, fees or commissions, reduced by returns and allowances, but excluding net capital gains and losses. Gross receipts include receipts of not only the borrower but also the gross receipt of any affiliate. Gross receipts do not, however, include proceeds from transactions between a borrower and its domestic or foreign affiliates.

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Covered Period	Borrower can choose either 8 or 24 weeks from the date borrower receives loan proceeds.	Borrower can choose any period between 8 and 24 weeks from the date borrower receives loan proceeds	Same as PPP1 as amended by CAA.
	Borrower with biweekly (or more frequent) payroll may elect to calculate payroll costs using the first day of first pay period following their loan disbursement date ("Alternative Payroll Covered Period").		Alternative Payroll Covered Period is no longer available.
Covered Costs	<p>Includes:</p> <ul style="list-style-type: none"> (a) Payroll Costs (b) interest (excluding any prepayment) on any mortgage in place before February 15, 2020; (c) rent for any lease in force before February 15, 2020; and (d) certain utilities for which service started before February 15, 2020. <p>Any rents paid to a related party limited to the amount of mortgage interest incurred by the related party during the Covered Period for the space being rented by the borrower.</p> <p>Mortgage interest payments to a related party do not count as Covered Costs.</p>	<p>Adds four new categories of covered costs:</p> <p>Covered operations expenditures - payments for business software or cloud computing service that facilitates business operations, product or service delivery, the processing, payment, or tracking of payroll expenses, human resources, sales and billing functions, or accounting or tracking of supplies, inventory, records, and expenses.</p> <p>Covered property damage costs - Costs related to property damage and vandalism or looting due to public disturbances that occurred during 2020 that were not covered by insurance or other compensation.</p> <p>Covered supplier cost - expenditures made by an entity to a supplier of goods that are:</p> <ul style="list-style-type: none"> (a) essential to the operations of the entity at the time at which the expenditure is made, or (b) made pursuant to a contract, order, or purchase order that was either: <ul style="list-style-type: none"> (i) in effect at any time before the covered period with respect to the loan, or (ii) with respect to perishable goods, in effect before or at any time during the period. <p>Covered worker protection - these are operating or capital expenditures that are required to facilitate the adaptation of the business activities of an entity to comply with requirements established or guidance issued by the Department of Health and Human Services (HHS), the CDC, or OSHA during the period beginning on March 1, 2020 and ending on the date on which the national emergency declared by the President under the National Emergencies Act expires. Eligible costs are those related to the maintenance of standards for sanitation, social distancing, or any other worker or customer safety requirement related to COVID-19.</p>	Same as PPP1 as amended by CAA.

	PPP1 Loan		PPP2 Loan
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Payroll Costs	Payroll costs include compensation paid plus borrower's portion of health insurance and retirement benefits for employees whose principal place of residence is the United States, and state and local taxes assessed on compensation of employees (i.e. state and local unemployment taxes). Payroll costs shall not include the compensation of an individual employee in excess of an annual salary of \$100,000 as prorated for the Covered Period.		Same as PPP1, but added life, disability, vision, and dental insurance.
	Compensation for self-employed individuals, general partners, and owners of 5% or more of a corporation (both C- and S-corporations) is limited to the lesser of \$20,833 or the 2.5-month equivalent of their 2019 compensation if using a 24-week Covered Period. These amounts are adjusted if using any other Covered Period.		Same as PPP1
	Excludes any qualified sick and family leave wages for which a credit is allowed under the Families First Coronavirus Act.		Same as PPP1
		Any wages for which an Employee Retention Credit is computed will not be treated as forgivable payroll costs.	Same as PPP1
Use of PPP Loan Proceeds	PPP funds can only be used to pay Covered Costs.		Same as PPP1

	PPP1 Loan		PPP2 Loan
	CARES Act, Including Changes Prior to Consolidated Appropriations Act	Changes made by Consolidated Appropriations Act	Consolidated Appropriations Act
Limitations on Loan Forgiveness	<p>Forgiveness is limited to Covered Costs paid or incurred during the Covered Period, assuming costs incurred are paid on or before the next regular payroll date or next regular billing date. Payroll Costs incurred during the borrower's last pay period of the Covered Period or the Alternative Payroll Covered Period are eligible for forgiveness if paid on or before the next regular payroll date. Non-payroll costs cannot exceed 40% of the total amount forgiven.</p>		Same as PPP1
	<p>Any forgiveness calculated above is reduced by any reduction in average number of full-time equivalent employees ("FTEs") per week during Covered Period as compared to the weekly average of FTEs during the period from either: (a) February 15, 2019 through June 30, 2019, or (b) January 1, 2020 through February 29, 2020. Any FTE reduction is ignored as long as the borrower's employee level is restored to its February 15, 2020 level before December 31, 2020.</p> <p>FTE reductions are also ignored if the borrower can in good faith document the inability to (a) rehire individuals who were employees on February 15, 2020, and (b) hire similarly qualified employees for unfilled positions on or before December 31, 2020, or the inability to return to the same level of business activity as of February 15, 2020 due to compliance with requirements established by HHS, CDC, or OSHA during the period from March 1 and December 31, 2020 related to the maintenance of standards for sanitation, social distancing, or any other work or customer safety requirement due to COVID-19.</p>		Same as PPP1, except for any loans made on or after the date of enactment of the CAA, FTE reductions are ignored if the borrower can in good faith document the inability to (a) rehire individuals who were employees on February 15, 2020, and (b) hire similarly qualified employees for unfilled positions on or before last day of the Covered Period, or the inability to return to the same level of business activity as of February 15, 2020 due to compliance with requirements established by HHS, CDC, or OSHA during the period from March 1, 2020 through the last day of the Covered Period related to the maintenance of standards for sanitation, social distancing, or any other work or customer safety requirement due to COVID-19.
	<p>Forgiveness is further reduced by the amount of any reduction of more than 25% in total salary or wage of any employee (excluding any employee making more than \$100,000 on an annualized basis during 2019) during the Covered Period when compared to their salary for the full quarter prior to February 15, 2020. Any salary reduction is ignored as long as it is restored before December 31, 2020.</p>		Same as PPP1, except employer has until last day of Covered Period to restore any salary reductions for any loans made on or after the date of enactment of the CAA.
	<p>A borrower with a loan of \$50,000 or less is exempt from any reductions in loan forgiveness based on FTE reductions or wage reductions. This provision is not applicable, however, if the borrower, together with its affiliates, received PPP1 loans totaling \$2 million or more.</p>		Same as PPP1
	<p>Forgiveness will be reduced by any Emergency Injury Disaster Loan grant received.</p>	<p>Forgiveness will no longer be reduced by any Emergency Injury Disaster Loan grant received.</p>	Same as PPP1 as amended by CAA.

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Timing of Loan Forgiveness Application	Forgiveness application must be submitted no later than 10 months after the end of the Covered Period. Payments of any interest or principal not forgiven will not be due until SBA remits loan forgiveness amount to lender.		Same as PPP1
Forgiveness for Loans Under \$150,000		Borrowers only required to submit one-page form and only subject to audit if committed fraud or used loan proceeds for improper purposes.	Same as PPP1 as amended by CAA.
Taxability of Forgiveness	According to guidance issued by the IRS, loan forgiveness is not taxable income but expenses used for the forgiveness are not deductible.	Loan forgiveness is not taxable income and all expenses used for the forgiveness are fully deductible. Furthermore, forgiveness income does create basis for S-corp. shareholders and partners in a partnership.	Same as PPP1 as amended by CAA.
Shuttered Venue Operator Grant			Not eligible for Shuttered Venue Operator Grant if received PPP1 or PPP2 loan.