

# The SBA Paycheck Protection Program



## THE SBA PAYCHECK PROTECTION PROGRAM

With the COVID-19 emergency, many small businesses nationwide are experiencing economic hardship as a direct result of the Federal, State, and local public health measures that are being taken to minimize the public's exposure to the virus.

These measures are resulting in a dramatic decrease in economic activity. In response to the current situation, the Small Business Administration (SBA) has established the Paycheck Protection Program: a loan program to assist small businesses nationwide adversely impacted by the COVID-19 emergency.

The program is designed to provide a direct incentive for small businesses to keep their workers on payroll by providing funds to pay up to 8 weeks of payroll costs including benefits and certain other expenses, up to \$10 million.



### ELIGIBILITY

You are eligible for a PPP loan if your business meets SBA requirements and has its principal place of residence in the United States, including nonprofits, veterans organizations, tribal concerns, self-employed individuals, sole proprietorships, and independent contractors. In addition, your business must meet current Farm Credit eligibility requirements to obtain funding from a Farm Credit System institution.



### LOAN FORGIVENESS AND DEFERRAL

Funds are provided in the form of loans that may be forgiven when used for payroll costs, interest on mortgages, rent, and utilities (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.

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.



### WHEN TO APPLY

The application window opened on April 3, 2020 for small businesses and sole proprietorships. Applications will be accepted until funds made available for this purpose are exhausted.



### FOR MORE INFORMATION

To learn more about the Paycheck Protection Program, please visit the Paycheck Protection Program section of the [Small Business Administration](#) website. To apply contact Daniel Neely at [DNeely@FarmCredit-FL.com](mailto:DNeely@FarmCredit-FL.com) or (850) 557-5330.

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