

# Paycheck Protection Program **vs.** Emergency Injury Disaster Loan Program

	PAYCHECK PROTECTION PROGRAM (PPP)	EMERGENCY INJURY DISASTER LOAN PROGRAM (EIDL)
<b>Who is eligible?</b>	Small businesses and nonprofits with up to 500 employees*; self-employed individuals *Certain larger businesses may qualify	Small businesses, coops, and ESOPs with up to 500 employees*; self-employed individuals, private nonprofits *Certain larger businesses may qualify
<b>Who is the Lender?</b>	An SBA 7(a) loan-providing lender	SBA
<b>Where do I apply?</b>	At an SBA 7(a) approved lender	Disaster Loan Assistance <a href="https://covid19relief.sba.gov/#/">https://covid19relief.sba.gov/#/</a>
<b>What can I use the funds for?</b>	Payroll costs*, mortgage and other debt interest, rent, utilities and certain EIDL refinancing** *75% of loan proceeds must be used for payroll **EIDL loans made between 1/31/20 and 4/3/20	Follows SBA 7(b): wider use including PPP costs + other existing obligations
<b>What can I not use the funds for?</b>	Anything other than covered expenses listed above	Expansion of facilities, acquisition of fixed assets, refinancing LT debt. *More listed on <a href="https://www.sba.gov">SBA.gov</a>
<b>What is the maximum loan available?</b>	Lesser of 2.5 x avg monthly payroll or \$10M	\$2M, with immediate \$10K advance available
<b>What is the interest rate?</b>	1%* *Maximum under statute (or CARES Act) 4%	Small Businesses: 3.75% Nonprofits: 2.75%
<b>What is the term?</b>	2 years* *Maximum under statute (or CARES Act) 10 years	Up to 30 years
<b>What collateral or guarantee is required?</b>	No collateral or guarantee	No collateral or guarantee up to \$25K; collateral if over \$25K; guarantee if over \$200k
<b>Is there payment deferral?</b>	First 6 months	One year
<b>Is there loan forgiveness?</b>	Costs incurred within first 8 weeks of the loan; non-payroll costs cannot offset more than 25% of total forgiveness; reduction in forgiveness when employee base and/or pay not maintained	Up to \$10K advance
<b>Is the loan forgiveness taxable income?</b>	No	Unknown
<b>Is there a prepayment penalty?</b>	No	No
<b>Are there loan origination fees?</b>	No	No
<b>Can I take this and the Employee Retention Credit?</b>	No	Yes
<b>How long are the loans available?</b>	The earlier of 6/30/20 or program amounts depleted	12/31/20

**Both the PPP and EIDL may be obtained but for different expenses (no double dipping)**

**The advance amount forgiven under the EIDL will reduce PPP loan forgiveness**

**Existing and new SBA loans not issued under the PPP receive six months of payments made by the SBA on the borrower's behalf**