

NFIB UPDATE

Weekly Briefing for Small Business

Beth Milito and Holly Wade

Special guest: Debbie Finch Rowley w/ Finch CPA Firm PLLC

July 1, 2020 - PPP Loan Forgiveness



DISCLAIMER

- The materials and information provided in this webinar and on NFIB's website are for informational purposes only and not for the purpose of providing legal or tax advice. You should contact your attorney and/or tax professional to obtain advice with respect to any particular issue or problem.
- This is based on information available by 6/30/20.
- For the latest, visit <https://home.treasury.gov/policy-issues/cares/assistance-for-small-businesses>





FINCH CPA FIRM

We are Finch CPA Firm, an accounting firm working exclusively with small businesses in the Houston and Austin area. We pride ourselves first on ensuring your financial information is correct and timely. Our greatest skill is in tax minimization and we can help you "design your next tax return" with proper planning and tailoring the tax code to each unique situation*.

Debbie Finch Rowley

Debbie is an Enrolled Agent (tax specialist) with over 25+ years of public accounting experience, and 14 years of experience as a private industry Controller. She is certified in QuickBooks Online and works heavily in QuickBooks for business accounting, refining and optimizing accounting records to help ensure compliance with all levels of local, state and federal taxation.



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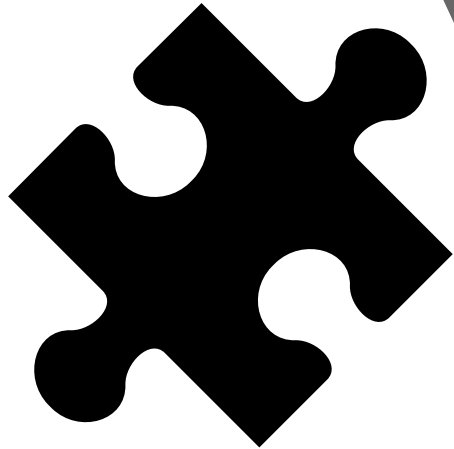
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Agenda

1. EIDL Loan
2. PPP Forgiveness Forms
3. Q&A with Debbie Rowley

Economic Injury Disaster Loan



Economic Injury Disaster Loan

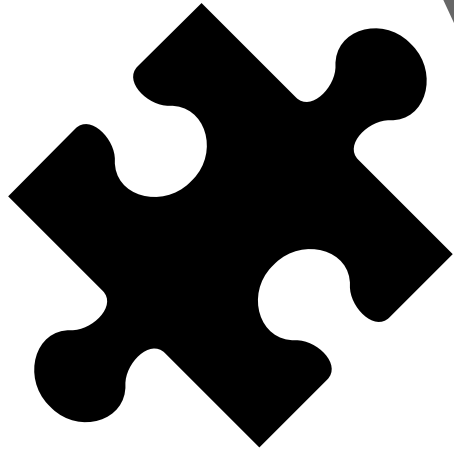


SBA IS ACCEPTING APPLICATIONS AGAIN

The SBA's EIDLs provide working capital to help small businesses survive until normal operations resume after a disaster.

- Payroll costs, including benefits,
- Fixed debts (mortgage, rent, lease),
- Accounts payable,
- Other bills.

PPP Loan Forgiveness Application Forms



The PPP Forgiveness Forms – Two Options

The SBA has released two PPP Loan Forgiveness Forms:

- [Form 3508EZ](#) and [instructions](#) (simplified form, check instructions to see if you're eligible to use the EZ form)
- [Form 3508](#) and [instructions](#) (long form if not eligible for EZ form)
- [NFIB PPP Loan Forgiveness Tip Sheet](#)
- [AICPA PPP Loan Forgiveness Calculator](#)





**Paycheck Protection Program
PPP Loan Forgiveness Application Form 3508EZ**

OMB Control No. 3245-0407
Expiration date: 10/31/2020

Business Legal Name ("Borrower")	DBA or Tradename, if applicable	
Business Address	Business TIN (EIN, SSN)	Business Phone
		() -
	Primary Contact	E-mail Address

SBA PPP Loan Number: _____ **Lender PPP Loan Number:** _____

PPP Loan Amount: _____ **PPP Loan Disbursement Date:** _____

Employees at Time of Loan Application: _____ **Employees at Time of Forgiveness Application:** _____

EIDL Advance Amount: _____ **EIDL Application Number:** _____

Payroll Schedule: The frequency with which payroll is paid to employees is:

- Weekly Biweekly (every other week) Twice a month Monthly Other _____

Covered Period: _____ to _____

Alternative Payroll Covered Period, if applicable: _____ to _____

If Borrower (together with affiliates, if applicable) received PPP loans in excess of \$2 million, check here:

Huh?



Forgiveness Amount Calculation:

Payroll and Nonpayroll Costs

Line 1. Payroll Costs:

Line 2. Business Mortgage Interest Payments:

Line 3. Business Rent or Lease Payments:

Line 4. Business Utility Payments:

Potential Forgiveness Amounts

Line 5. Add the amounts on lines 1, 2, 3, and 4:

Line 6. PPP Loan Amount:

Line 7. Payroll Cost 60% Requirement (divide Line 1 by 0.60):

Forgiveness Amount

Line 8. Forgiveness Amount (enter the smallest of Lines 5, 6, and 7):

So
confused



Line 7, totally confusing!!!

All qualifying payroll and non-payroll expenses are eligible for forgiveness.

Line 7 determines whether the borrower spent at least 60% on payroll.

Example: if you have payroll costs of \$100,000 (line 1) and you divide that by .60 it comes out to \$166,667. You would enter that on line 7. The amount entered on line 1 is 60% of the calculation of what's on line 7.

If you have spent more than 60% on payroll your total forgiveness amount will be the number on line 5 and/or line 6 of the application (for most everyone lines 5 and 6 will be the same dollar amount), line 7 will be a larger dollar amount and you must use the smallest number of the three lines.

If you did not spend at least 60% on payroll, Line 7 will be the smallest number of Lines 5, 6, and 7 and you would have to use Line 7 for your forgiveness amount.





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