



Maximizing Your PPP

How Companies Should Plan to Get the Most Out of Their PPP Loan

WEBINAR | Presented on April 30, 2020

Disclaimer

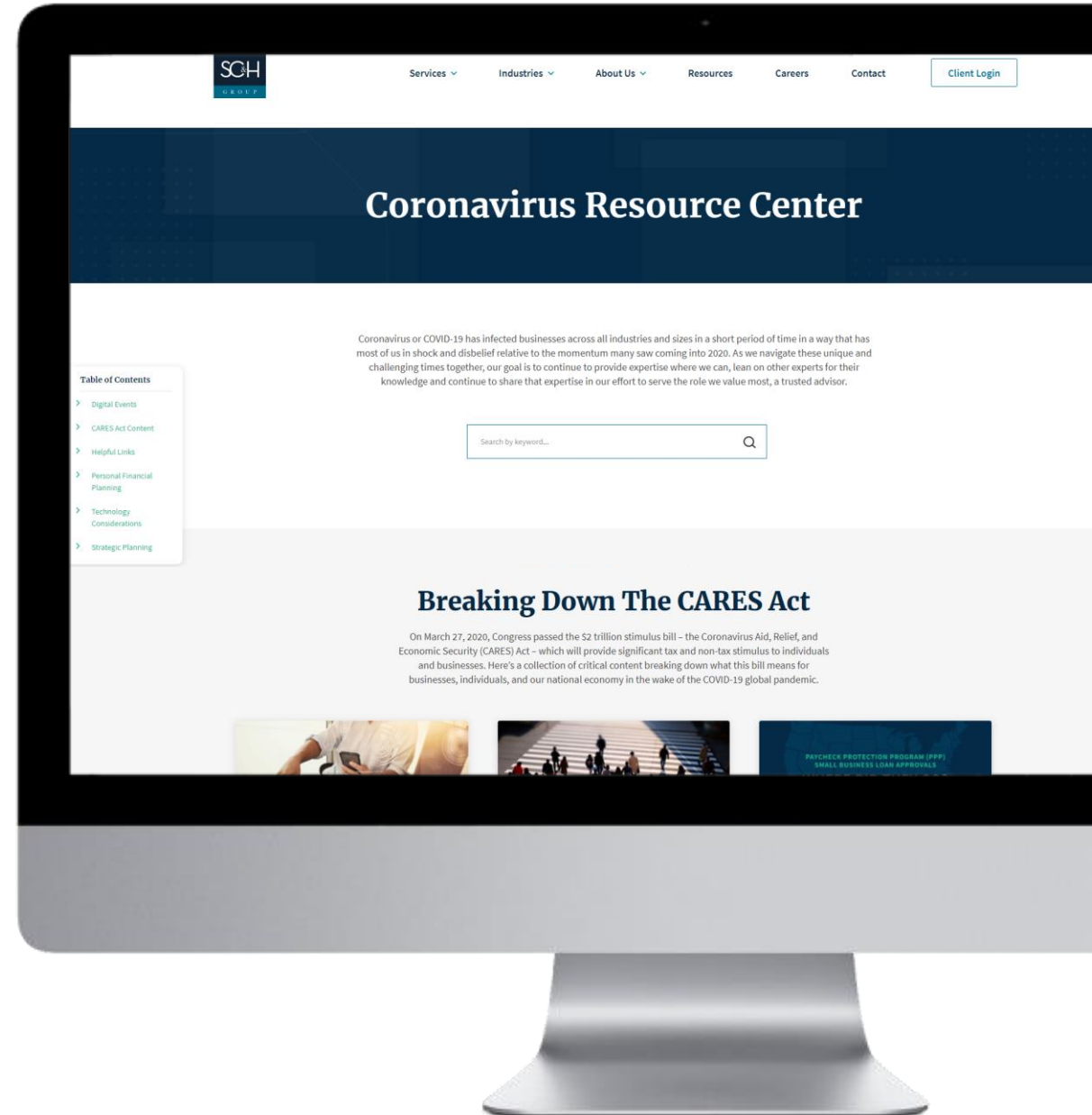
This webinar contains general information about tax and legal matters. The information is for educational purposes and should be treated as such.

You may not rely on the information presented in this webinar as an alternative to legal or tax advice from an attorney or other professional.

COVID-19 Resource Center

- Resources for both businesses and individuals
- Relevant content from across the firm
- Continually being updated with resources and digital events

<https://www.schgroup.com/coronavirus-resource-center/>



Our Speakers



Jim Wilhelm
DIRECTOR



Greg Horning
DIRECTOR

Post-PPP Loan Approval

Now That You Have the Money (Or It's Coming Soon), What's Next?

- Cash preservation
- Loan forgiveness

Best Practices

- Documenting the need
- Place funds in an MMA and disburse to fund allowable expenses to the penny
- Create a spreadsheet documenting payroll costs
- Create a file for gathering payroll documentation – payroll reports, registers, etc
- Create a file to hold documentation of interest, health insurance, retirement plan, rent and utility payments

Loan Forgiveness

- You won't have everything forgiven and maybe you don't want to
- Some strategy and thoughts from SC&H
 - Timing of some payments
 - What other expenses may qualify, noting there is some ambiguity – if paying anyway, no harm and gathering data now is easier than later
 - Rehire now, bring compensation levels back to previous levels
 - Key dates – 8-week period, June 30th for rehires
- Compliance issues – certification, bank forms, SBA audits

Independent Contractors & Self-Employed Individuals

Guidance on PPP Best Practices

- Document the need for the PPP loan to support certifications
- Document the usage of the funds
 - Owner earnings/draws
 - Employee payroll, employer contributions to employee retirement accounts, health plans
 - Rents, Utilities, Interest on Business Loans
 - Home Office – mortgage interest, utilities (forgiveness based on square footage)
- Understand that complete forgiveness is highly unlikely
- Be aware – No concurrent use of PPP loan and unemployment benefits allowed

Open Items to Monitor

- Interpretation of “costs incurred and payments made” *[98.5 Million Google Searches]*
- How is rent defined (CAM charges, related party issues, personal property)? *[12.8 Million]*
- FAQ 31 *[12 Million]*
 - How do uncertainties about future conditions impact ability to certify?
 - What is the threshold to be considered “significantly detrimental to the business?”
- Tax deductibility of expenses paid with forgiven loans *[149,000]*
- Other questions about actual formula for calculation of forgiveness *[384,000]*
- Definition of qualified interest payments *[148,000]*

Answering Your Submitted Questions



What's Next?

- Visit our **Coronavirus Resource Center** for updates & additional digital events
- Stay tuned for new guidance on PPP Forgiveness and follow-up SC&H content
- Keep an eye out for more details on the Main Street Lending Program

Coronavirus Resource Center

Coronavirus or COVID-19 has infected businesses across all industries and sizes in a short period of time in a way that has most of us in shock and disbelief relative to the momentum many saw coming into 2020. As we navigate these unique and challenging times together, our goal is to continue to provide expertise where we can, lean on other experts for their knowledge and continue to share that expertise in our effort to serve the role we value most, a trusted advisor.

Search by keyword...

Digital Events

Maximizing Your PPP
How Companies Should Plan to Get the Most Out of Their PPP Loan
Thursday, April 30 | 11:00 AM - 12:00 PM

The Future of Cybersecurity
Changes Ahead as a Result of the Impacts of COVID-19
Wednesday, May 13, 2020 | 11:00 AM - 12:00 PM

Breaking Down The CARES Act

On March 27, 2020, Congress passed the \$2 trillion stimulus bill – the Coronavirus Aid, Relief, and Economic Security (CARES) Act – which will provide significant tax and non-tax stimulus to individuals and businesses. Here's a collection of critical content breaking down what this bill means for businesses, individuals, and our national economy in the wake of the COVID-19 global pandemic.

BLOG
How the Prior-Year Minimum Tax Credit Changes Under the CARES Act

BLOG
Paycheck Protection Program (PPP) Round 2: How Small Businesses Should Move Forward

INFOGRAPHICS
Paycheck Protection Program (PPP) Small Business Loan Approvals Infographic

Thank You!



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