

PPP – EIDL COMPARISONS

	Paycheck Protection Program Loan (PPP)	Economic Injury Disaster Loan (EIDL)
Qualifying Business	500 or fewer employees; Active on 2/15/2020	500 or fewer employees
Ineligible Businesses	Cannabis, lenders, pyramid, household employers, those with prior SBA defaults and certain criminal activities.	Gambling concerns (more than 1/3 income from gambling), all casinos, racetracks, poker parlors, etc.
Program Duration	Available through 6/30/20	Unknown at this time
Max Loan Amount	\$10 Million	\$2 Million
Borrower Loan Amount	2.5 times average 2019 payroll	Decided by SBA based upon need determined by submitted documents. Can project need for one year
Payroll/Employee Definition (Does not include independent contractor or payments)	All salary, wages, commissions and tips including most benefits, capped at \$100K for each employee. Does not include FFCR Act leave payroll.	Includes both full-time and part-time employees.
Interest Rate	1%	3.75% for Small Business 2.75% for Non-Profits
Loan Term	2 Years	Up to 30 Years
Loan Guarantees or Collateral Required	None, other than a borrower certification	None for loans of \$25,000 or less. Above that determined by SBA depending on circumstances.
Loan Advance	None	\$10,000 before loan approval
Loan Forgiveness	The lesser of the loan amount or the sum of the expenses including payroll, mortgage interest, rent, and utilities paid in the 8-week period following the loan origination date.	The \$10,000 advance - forgiven at the discretion of the SBA. If a borrower also has a PPP loan, the \$10,000 forgiveness will be deducted from the PPP loan forgiveness amount.
Forgiveness Reduction	Reduced if full head count decreases or salaries are decreased by more than 25%	Not applicable
Payment Deferral	6 to 12 months	Up to 12 months Determined by the SBA
Allowable Loan Uses	Payroll costs, mortgage interest*, rent/lease payments*, Utilities* including electric, water, telephone, internet. *In place before 2/15/20	Fixed debts, payroll, accounts payable, insurance, interest and other general operating expenses. Not to be used for lost sales or profits or expansion.
Coordination with the employee retention credit	Makes employee ineligible for the employee retention credit	Not applicable