

Top Takeaways from the Recent PPP Changes

14-day moratorium on applications 20 employees and above:

Starting on Wednesday, 2/24 at 9:00 am, the SBA will pause its acceptance of all applications from businesses that have 20 employees and more. This includes all employees (full-time, part-time or seasonal). This pause will last through Tuesday, 3/9. During this time, only applications with hold codes or in SBA review will continue processing if the business has 20 employees or more. All businesses with fewer than 20 employees can continue processing per normal.

Changes to 2483 form and calculations for Schedule C borrowers:

Included in the announcement is a provision that Schedule C borrowers use their gross income instead of net income to calculate their PPP eligibility. This is a change that should increase the loan amounts for some borrowers who use their Schedule C to apply for a PPP loan. There is currently no guidance on how this relates to existing borrowers. Biz2Credit will begin processing applications according to this change when final SBA guidance is issued.

More guidance expected week of 3/1:

There will be new guidance (in the form of Interim Final Rules) and forms released the week of 3/1 relating to the guidance issued with the announcement on Feb.22nd. *We do not yet have any guidance relating to these changes and continue to process applications as previously received.*

[Read the full statement issued by the White House.](#)

February 22, 2021