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To: Strategic Planning Community

From: Frank P. Nagorney

Re: Paycheck Protection Program Debt Forgiveness Application; Pending Legislation

Attached is the loan forgiveness application that was recently issued by SBA. The interim rule and updated FAQ also are attached. The application is processed by the lending bank. There is a 60 day review period. SBA also may want to review the application.

On May 28, the House passed a bill proposing to extend the time in which businesses must use the funds from eight weeks to 24 weeks; amending the 75/25 rule for how much businesses must spend on payroll versus non-payroll costs in order to get full forgiveness of the loan to 60/40, and pushing back the deadline to rehire workers from June 30 to Dec. 31, among other provisions. The Senate has its own version.

Nothing is certain at this time. However, if you are concerned about obtaining 100% debt forgiveness, you may want to wait and see what happens in the legislative arena before filing the application.

FPN