



**NAGEL CPAs, LLC**

Accountants & Advisors



## The SBA will be accepting applications April 3, 2020.

To our business clients:

The CARES Act was signed into law Friday March 27, 2020, one week ago today. This was the largest of three major legislative initiatives passed since March 12 to address the economic impact of the COVID-19 pandemic. It includes immediate cash for employers who have been affected by the uncertainty of the pandemic in order to retain workers and cover key expenses through the **Paycheck Protection Program (PPP)**.

We have been busy all week digesting, debating and analyzing key technical components of these new laws. Countless emails from bankers and other experts through daily newsfeeds and colleagues from around the country have been helpful. It has been a week full of On-The-Job-Training and webinars in a new domain never experienced in America's history.

We have included information for you to learn more, quickly, at the click boxes below. We have directly, and indirectly, assisted many applicants this week. Here's a few observations:

1. The SBA loans offered through the (PPP) are not grants, yet in some cases repayment may be forgiven. *The irrational exuberance we have heard this week over "Free Money" exceeds the pandemonium of our last economic crisis.* Please do not apply for more than you know you can "earn out" over the next 8 weeks. Otherwise you may find repayment over the next two years to be quite burdensome.
2. Prepare your accounting staff to separate these funds when received so their use can be directly tied to qualifying expenses. This will be necessary to demonstrate forgiveness of repayment.
3. Work closely with your commercial banker to obtain the information needed to submit timely. Be conservative and keep your calculated amount simple. Otherwise, valuable time will be wasted fretting the finer points.

Time is of the essence. This program will be over-subscribed soon. The application below is easy to prepare and submit electronically to your lender. Follow up to make sure it is submitted.

Retain worksheets and other evidence to justify your calculations in your application.

**Ryan Cooper, Bill Ortiz and I are prepared to help answer questions and assist with issues that may arise. Please contact us.**

In addition to the PPP, we have included at the last two click boxes below, information on the mandatory sick pay and family leave provisions of the FFCRA and how employers will be reimbursed as they assist workers.

Many questions remain unanswered, but we can help. Call us.

Follow the link to the right for more information regarding loan options available through the CARES

[CARES Act Overview](#)

[Paycheck Protection Program Borrower Information](#)

"The Paycheck Protection Program ("PPP") authorizes up to \$349 billion in forgivable loans to small businesses to pay their employees during the COVID-19 crisis. All loan terms will be the same for everyone."

[Paycheck Protection Program Application](#)

Follow the link above to the Paycheck Protection Program Application.

[Paycheck Protection Program Lender Information](#)

"All existing SBA-certified lenders will be given delegated authority to speedily process PPP loans. All federally insured depository institutions, federally insured credit unions, and Farm Credit System institutions are eligible to participate in this program."

Follow the link to the right for more information on employment concerns.

[Families First Coronavirus Response Act and Emergency Family and Medical Leave Expansion Act](#)

As provided under the legislation, the U.S. Department of Labor will be issuing implementing regulations. Additionally, as warranted, the Department will continue to provide compliance assistance to employers and employees on their responsibilities and rights under the FFCRA.

[Families First Coronavirus Response Act: Questions and Answers](#)

**Nagel CPAs, LLC.**

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