

# Updates to the Paycheck Protection Program (PPP) - March 10, 2021 Webinar

## Q&A

What type of business typically has the code of 72 that this works for?

NAICS Code beginning with 72 is for the Accommodation and Food Services sector.

If the Sch C has no employees and they receive PPP1 money and they receive the max \$20,833 can they turn around and write themselves a check for the \$20,833 and it is considered spent within the 8-week period? Then they could apply for PPP2?

There is not a clear answer from the SBA at this point, but from review of the applications and guidance that is available you would have to wait at least the 8 weeks.

Is there an ERC application deadline? Can we alter our 941 forms later in the year and not miss any benefit?

3 year deadline which is the amendment deadline. Still waiting on guidance to see if IRS will create a combined amended 941 form to be able to file all quarters at once. Currently you have to go back and amend each individual 941.

Are these loans that are forgivable like the company PPP?

Yes

The bank I talked to said that eight weeks would have to pass before applying for PPP2. Is this accurate?

Yes

What was the effective date on the change to gross receipts for farmers' calculation for 1st PPP loan amount?

January 19, 2021

Is the ERC credit received taxable income?

Yes

We received PPP1 last year and disbursed accordingly within the 8-week period. Getting ready to apply for forgiveness for PPP1. We just received our PPP2 funds and my question is can the entire 60% of funds be issued in one check as owner compensation for sole proprietor with employees.

Technically you only have to spend at least 60% on payroll. Therefore you could spend 100% on payroll and still be eligible for forgiveness. The catch is that an owner can only receive the lesser of \$20,833 or their 2019 average monthly compensation times 2.5 months.

When we can apply for ERC?

Anytime but we would recommend waiting to see if additional guidance and or forms are released to make the amending process easier.