



FUBA
FLORIDA UNITED BUSINESSES ASSOCIATION

ISSUES

OUR BUSINESS IS SMALL BUSINESS

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PPP PROGRAM CLOSING; OTHER LOANS ARE AVAILABLE FROM SBA

The PPP loan program for small businesses will close on May 31st and until then is accepting applications only from smaller banks like Certified Development Companies (CDCs), SBA microlenders, and Community Development Financial Institutions. To apply for a PPP loan for your business, you will have to do it through one of these entities, and not all of them are participating in the PPP program.

The Small Business Administration offers other economic relief programs for small businesses like:

- The Economic Injury Disaster Loan program (EIDL) is a 30-year loan with a 3.75% interest rate which can be used for any business expense. Collateral is required for loans over \$25,000. Unlike the PPP loan, an EIDL loan must be paid back. Apply for an EIDL here: sba.gov/funding-programs/loans/covid-19-relief-options/covid-19-economic-injury-disaster-loan.
- The Restaurant Revitalization Fund provides grants for restaurants, bars, and other food service businesses impacted by COVID-19. This program will give restaurants a grant equal to their pandemic-related revenue loss (subject to a cap of \$5 million per physical location). These grants are not required to be paid back if the money is used for eligible expenses (like payroll, rent, supplies, etc.) by March 11, 2023.

You can apply for the Restaurant Revitalization Fund online with the SBA or you can apply with an SBA-recognized Point of Sale system (like Square or Toast). For more information on the Restaurant Revitalization Fund program, visit sba.gov/funding-programs/loans/covid-19-relief-options/restaurant-revitalization-fund.

For more information about the SBA's economic relief programs, visit sba.gov/funding-programs/loans/covid-19-relief-options. FUBA members can ask our experts by emailing fuba@fuba.org or by calling our offices at 800-262-4483.

HOW TO APPLY FOR PPP LOAN FORGIVENESS

If your business received a PPP loan, you can apply to have the loan forgiven once you have spent it, so that you do not have to pay it back.

How to qualify for PPP forgiveness: You must have met the following conditions during the 8- to 24-week period after you got the loan:

- The loan was used to pay for payroll, rent, utility bills (electric, phone, internet, etc.), and certain supplier costs for your business.
- At least 60% of the PPP loan was used for payroll costs (employee salaries and wages, plus employee benefits such as health insurance and retirement premiums, and paid leave).
- You maintained your employees and their pay amount. If you laid off

employees or reduced their pay, your forgiveness amount can be reduced.

When to apply for forgiveness: You can apply for forgiveness once you have spent the entire PPP loan amount, but you must apply within 10 months after the end of your 24-week covered period. To figure your deadline, count 24 weeks from the date you got the loan and then count 10 months from that date. If you miss this deadline, you will have to begin making loan payments to the bank that gave you the loan.

How to apply for PPP forgiveness:

1. Contact the lender where you got your PPP loan. They will probably have a PPP forgiveness section on their website where you can fill out the appropriate forgiveness form and submit the required supporting documentation.

2. **If your PPP loan was over \$150,000**, the bank will want you to submit documentation to prove you spent at least 60% of the loan on payroll. (You can spend 100% of the PPP loan on payroll.)

Required payroll records are:

- Bank statements or payroll service reports showing the cash compensation paid to employees during your loan's covered period, and
- The 941 payroll tax filings your business filed with the IRS and the quarterly RT-6 wage reports your business filed with the Florida Department of Revenue.
- Receipts or cancelled checks showing the amount of employer contributions made during the covered period to your employees' health insurance and retirement plans. *These records are required only if you are asking for forgiveness for these expenses.*

If you are including non-payroll expenses in your forgiveness amount, you will also need:

- Business rent or lease payments: A copy of your current lease and receipts or cancelled checks verifying the payments.
- Business utility payments: Copies of invoices and receipts, cancelled checks, or account statements.

Your lender may require additional documentation. They should have a list of the required documentation on the forgiveness section of their website, so check before you start filling out your forgiveness application.

3. **If your PPP loan was under \$150,000**, you will not need to provide any supporting documentation. You will just need to fill out a one-page forgiveness application that states your loan amount, the number of your employees, and the estimated amount of the PPP loan that your business spent on payroll costs.

FUBA members with questions about PPP forgiveness can ask our experts by emailing fuba@fuba.org or by calling 800-262-4483.

NO SALES TAX ON HURRICANE SUPPLIES MAY 28 – JUNE 6

To help Floridians prepare for hurricane season, certain supplies like batteries, flashlights, radios, coolers, and generators will be exempt from the state sales tax for ten days from May 28th through June 6th.

If your business sells these items, you will need to adjust your point-of-sale system to stop collecting sales tax for these ten days. The Florida Department of Revenue has published a bulletin for retailers that lists all the specific items that will be tax free. It is available from our website at fuba.org by clicking on the blue "Alert" box at the top right-hand corner of our home page.