

PPP Guidance for Newly Eligible Nonprofits

Nonprofits that are eligible to apply for a Paycheck Protection Program (PPP) loan under [loosened eligibility requirements](#) now have more guidance on how to pursue this COVID-19 relief.

The Small Business Administration (SBA) and the Treasury have released two key documents to help organizations determine eligibility and apply for PPP loans that they were ineligible for under prior rules:

- New [first draw application](#) and [second draw application](#) with the option to select that the organization meets the “per location” exception.
- [Interim Final Rule](#) that applies to PPP applications submitted on or after March 11, 2021, reflecting updates made by the American Rescue Plan Act. Specifically, the IFR implements PPP eligibility for “a tax-exempt non-profit organization described in section 501(c)(3) of the Internal Revenue Code that employs not more than 500 employees per physical location of the organization.”

The deadline for PPP applications remains March 31, 2021, but there is widespread speculation that this deadline will be extended based on recent legislative changes to the PPP and lender delays caused by heightened SBA fraud prevention measures.

Thank you to Grassi Advisors & Accountants for sharing this information.