



WHAT YOU REALLY NEED TO KNOW NOW **ABOUT PPP FORGIVENESS**

September 30, 2020

SO WHERE ARE WE NOW?

- You've borrowed 10 weeks' worth of 2019 payroll costs
and have 24 weeks to spend it on qualified expenses*

*If you received your loan AFTER July 17,
your covered period ends December 31, 2020



FORGIVENESS ISN'T AUTOMATIC



- Now, there's a whole lot of steps borrowers need to precisely follow in order to get their loan forgiven



- It's not hard to qualify, it's hard to document



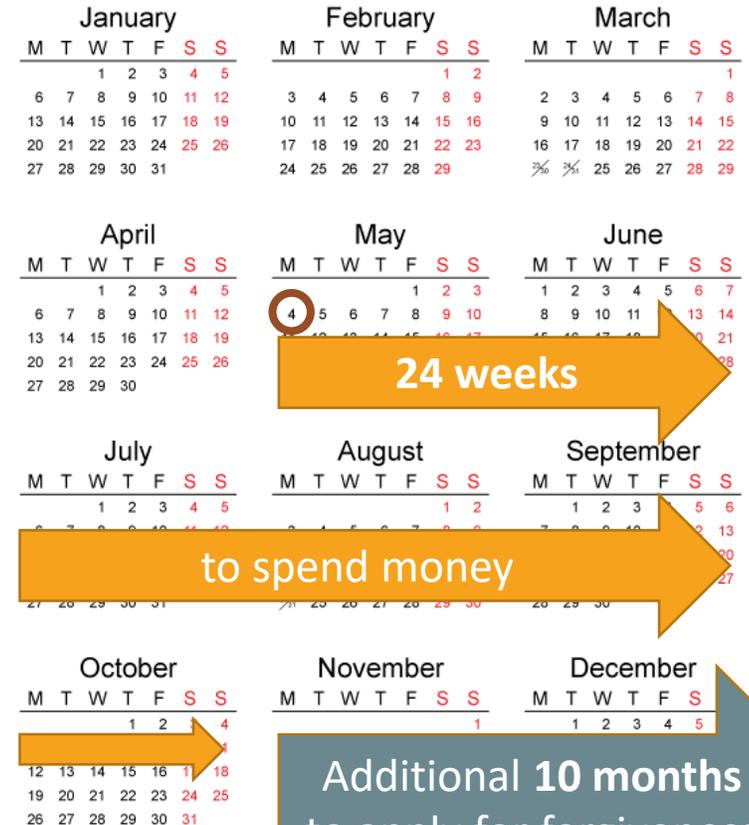
TIMELINE REALITIES

- **All PPP borrowers have 24 weeks** to spend the money from the date they received their funds
- They then have an **additional 10 months** to apply for forgiveness **AFTER** the 24 weeks end
- Much of the required documentation will become **available shortly after year-end**

WHAT DOES THIS MEAN?

- 1) No one is going to miss a deadline **THIS YEAR**
and
- 2) Most applications will happen during 2021 W-2/1099/Tax Season

2020



I'VE SPENT ALL MY MONEY AND AM READY TO APPLY!

- Is your documentation complete?
- If you do your own payroll, you'll need the completed payroll tax forms that span your covered period.

What does that mean for you?

943 filers who do their own payroll:

you need your completed 943 for 2020 -> **not before JANUARY 2021**

941 filers who do their own payroll:

If you got your loan after May 5 -> **not before OCTOBER 2020**

Many banks are not yet accepting Forgiveness Applications!



MULTIPLE BILLS IN CONGRESS (AND RUMORS OF MORE...)



- Wait out the process
- Election year



TODAY WE'LL COVER



How the forgiveness rules apply universally



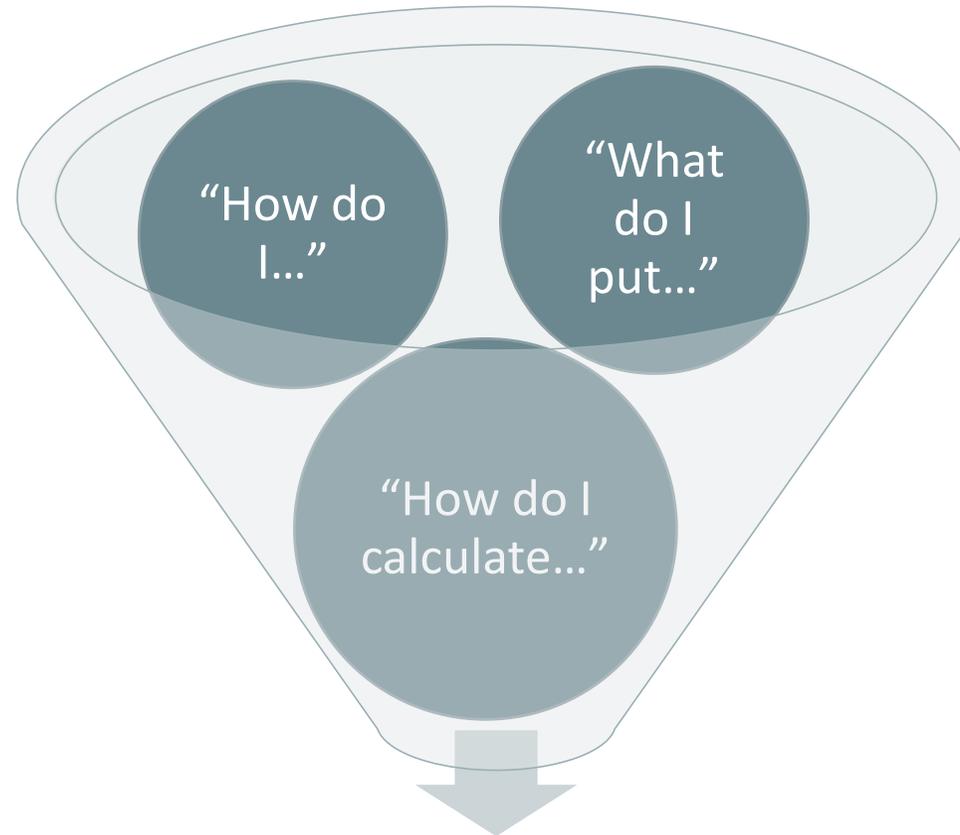
How we can help **all PPP borrowers** obtain forgiveness the first time (with as little pain as possible)



Who do I talk to at Farm Credit East?

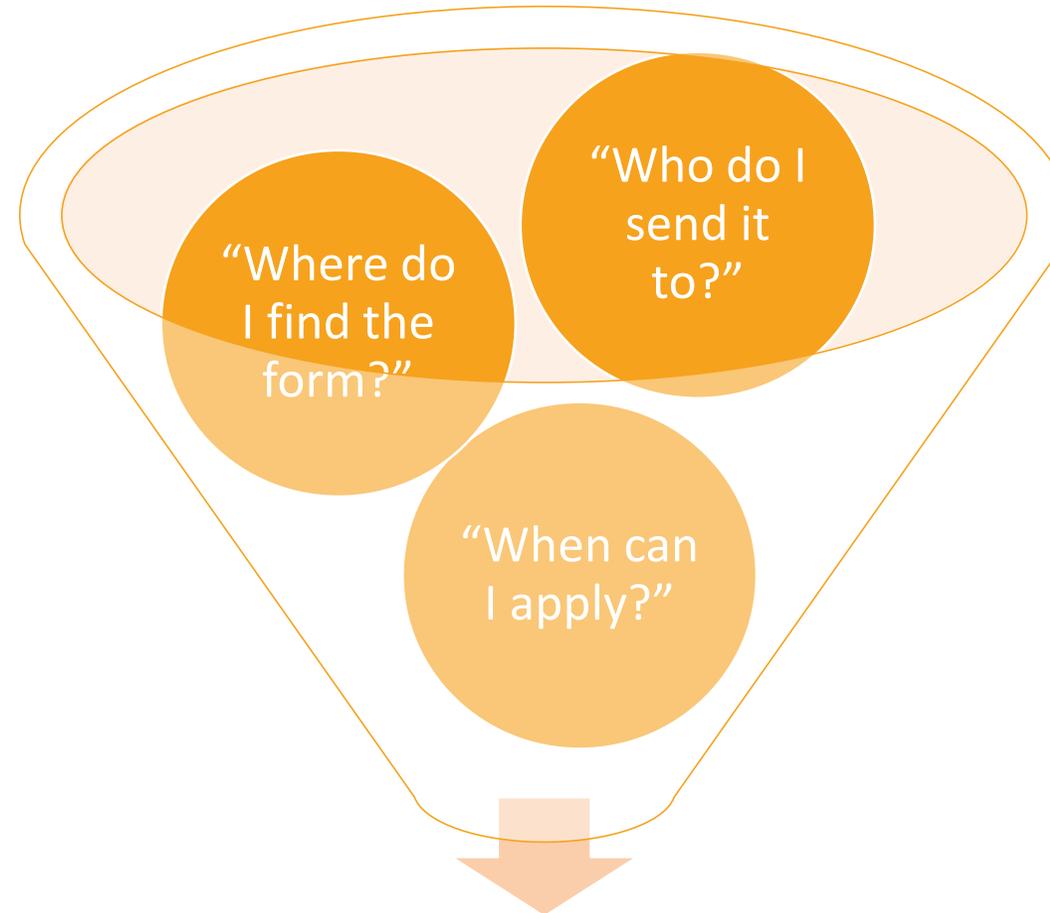


QUESTIONS ABOUT COMPLETING YOUR APPLICATION?



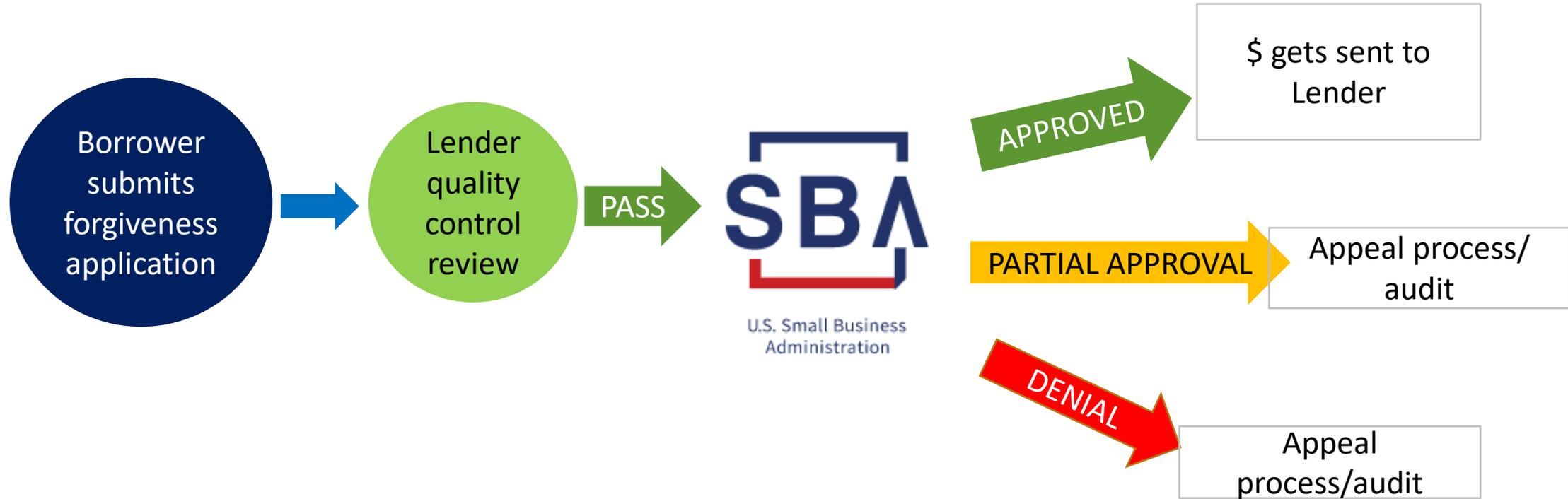
FarmCreditEast.com/pppconsult

PPP QUESTIONS ABOUT THE PROCESS?



Refer to Regional PPP Representative

THE FORGIVENESS PROCESS



EIDL ADVANCES

- EIDL loan advances (up to \$10,000) were advertised as free money
 - Only true **IF** you didn't get a PPP loan
- SBA will automatically deduct the EIDL advance amount from the forgiveness approval amount
- -> If you have a PPP loan and received an EIDL advance, **you will have a balance remaining** on you PPP loan after forgiveness is granted



HOW CAN FCE HELP YOU WITH PPP FORGIVENESS?

- **Let us help with one-on-one consulting**
 - Visit [Farmcrediteast.com/pppconsult](https://farmcrediteast.com/pppconsult)
 - Book a time with a consultant to get answers specific to your business on a fee basis. Phone or virtual meetings are available.
 - Farm Credit East consultants can also complete your application for you, on a fee basis.
- DIY option: visit [Farmcrediteast.com/resourcehub](https://farmcrediteast.com/resourcehub)



WHAT ABOUT WITH OTHER LENDERS (LIKE KABBAGE)?

- We can provide the same service
- We need to know that bank's process

Kabbage has built an online portal

- Currently takes 3 hours to submit a well-organized complete application
- That's on top of all the supporting documentation prep work!



IF EVER THERE'S A YEAR FOR TAX PLANNING...

This is it.

- Congress said PPP money is not income
- IRS said yes BUT – expenses paid with forgiven debt are not deductible
- Since they're not on the same page, run the scenarios with your tax advisor



SUMMARY

- No one is going to miss a deadline this year (2020)
- Many of you will be applying during the first quarter of 2021
- Let us know how we can help!
 - Tax planning: **Call your tax advisor today!**

PPP questions **ABOUT THE PROCESS?**

WHO YOU GONNA CALL?
FIRST.LAST@FARMCREDITEAST.COM

Bill Zweigbaum

Potsdam, NY
Burrville, NY
Greenwich, NY
Cooperstown, NY
Claverack, NY

Martin Knapp

Batavia, NY
Mayville, NY
Geneva, NY
Hornell, NY
Cortland, NY



Evan Richards

Presque Isle, ME
Auburn, ME
Bedford, NH
Middleboro, MA
Dayville, CT

Thomas Daly

Enfield, CT
Middletown, NY
Riverhead, NY
Flemington, NJ
Bridgeton, NJ

QUESTIONS ABOUT **COMPLETING YOUR APPLICATION?**

PPP Forgiveness Consulting:
[Farmcrediteast.com/pppconsult](https://farmcrediteast.com/pppconsult)

