EIDL & PPP - EXPENSE ELIGIBILITY GUIDE

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EIDL/PPP ELIGIBLE EXPENSES

		EIDL Grant/Loan Eligible	PPP Eligible	During 8 week Period PPP Forgiveness	
Gross Payroll	[1]	Avoid	Yes	Yes	Not more than 25% increase?
SUTA	[1]	Avoid	Yes	Yes	
ER PFML, ER HI (talk to your payroll rep)	[1]	Avoid	Yes	Yes	
2020 Retirement	[1]	Avoid	Yes	Yes	Unclear if limits - talk to your TPA
2019 Retirement		Yes	Unclear	No	(not incurred in 2020)
Group Health	[1]	Avoid	Yes	Yes	
Rent		Wait	Yes	Yes	For leases in place prior to 2/15
Natural Gas/Electric		Wait	Yes	Yes	If service began prior to 2/15
Water		Wait	Yes	Yes	If service began prior to 2/15
Telephone		Wait	Yes	Yes	If service began prior to 2/15
Internet		Wait	Yes	Yes	If service began prior to 2/15
Borrower's Mortgage interest		Wait	Yes	Yes	If mortgage began prior to 2/15
Other interest		Wait	Yes	**No**	
Payables - supplies	[3]	Yes	No	No	
Loan payments	[3]	Yes	No	No	
Back pay reimbursement		No	No	No	
Advance pay		No	No	No	
Hazard pay	[1]	Avoid	Yes	Yes	
Payroll Bonus	[1]	Avoid	Yes	Yes	Not more than 25% increase?
Professional services (IT, accounting, legal)		Yes	No	No	
Personal Property Taxes		Yes	No	No	
Equipment	[3]	Maybe	No	No	
Payments to 1099's or Temp agencies	[4]	Usually	No	No	
Distributions/Draw	[2]	No	No	No	
Other business expenses	[4]	Usually	No	No	
Sch C/Partner/Owner payment services		Avoid	Yes	Maybe	
($15,385 pp, $1,923 per week, $3,846 biweekly)					
Owner loans	[2]	No	No	No	
Refinancing debt	[2]	No	No	No	

Note:

[1] EIDL and PPP can't be use for same purpose. We suggest exhausting PPP funds on items listed as "wait" to show no duplication. Some guidance suggests loan after 4/3 can't be used for payroll. Just avoid using for payroll.

[2] Misusing funds could result in fraud charges. Please review the agreements, expenses paid, and carefully track your expenses.

[3] EIDL is for working capital to carry the business until resumption of normal operations and expenditures necessary to alleviate the economic injury; not to exceed what the business could have provided had the injury not occurred; don't use for expansion

[4] Can be used to repay obligations that cannot be met due to revenue losses