



The Masonry Update

what's happening in the masonry industry in New Jersey

PPP LOAN "ROUND TWO" - PP2

The new \$900 billion COVID relief legislation recently signed into law includes \$284 billion in a second round, PPP2, of loans. On Monday, January 11, 2021 some lenders started accepting loan applications for those seeking their first PPP loan. **The Program is open to all lenders on JANUARY 19, 2021**. Some key updates to PPP2 include:

- Second Draw PPP loans for certain existing PPP borrowers:
 1. Previously received a First Draw PPP Loan and will or has used the full amount only for authorized uses,
 2. Has no more than 300 employees; and
 3. Can demonstrate at least 25% reduction in gross receipts between comparable quarters in 2019 and 2020,
- Expanding expenditures eligible for forgiveness:
 1. Operations,
 2. Supplier costs,
 3. Worker protection expenditures,
- Borrowers can set their covered period to be anywhere from 8 and 24 weeks (not for existing PPP loans),
- Certain existing PPP borrowers can request to modify their first PPP loan amount,
- PPP loan forgiveness is non-taxable (overrides the initial IRS ruling that expenses paid with forgiven proceeds would not be deductible)
- Simplifying the forgiveness process for PPP loans of \$150,000 or less.

The SBA recently announced [updated application forms and guidance](#) on how to apply for PPP2 under the new requirements.

Mid Penn Bank facilitated a PPP Loan application and forgiveness process for an ICE board member during the first round. They are now prepared for "Round Two", and you can see more information on the process plus answers to some frequently asked questions in this video: [Mid Penn Bank: PPP Second Draw](#).

This is not intended to be legal or accounting advice. Be sure to familiarize yourself with the updated interim rules and consult with your attorney and accountant.

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