

Coronavirus Relief

EMERGENCY LOANS



Painter, Designer, & Contractor Guide

Resources for all you need to know for your small business regarding the Coronavirus Aid, Relief, and Economic Security (CARES) Act.

As a locally owned and operated small business we want to support those who have supported us, our fellow small business owners. Colorize has prepared this guide to help navigate your business through the current Covid-19 pandemic. We look forward to helping each other in these uncertain times.

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PAYCHECK
PROTECTION
PROGRAM

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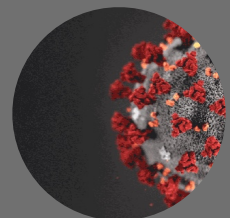
EDIL EMERGENCY
\$10,000
ADVANCE



The Questions
You May Be
Asking...



What You Need
To Know...



Resources to
Help You Save
Your Business
and Keep Your
Employees...

Paycheck Protection Program

The Coronavirus Aid, Relief, and Economic Security (CARES) Act allocated \$350 billion to help small business keep workers employed amid the global pandemic and economic downturn. The initiative provides 100% federally guaranteed loans to small business.

Importantly, these loans may be forgiven if borrowers maintain their payrolls during the crisis or restore their payrolls afterward.

1. AM I ELIGIBLE?

You are eligible if you are:

A small business with fewer than 500 employees

An individual who operates a sole proprietor

An individual who operates as an independent contractor

An individual who is self-employed who regularly carries on any trade or business

2. WHAT WILL LENDERS BE LOOKING FOR

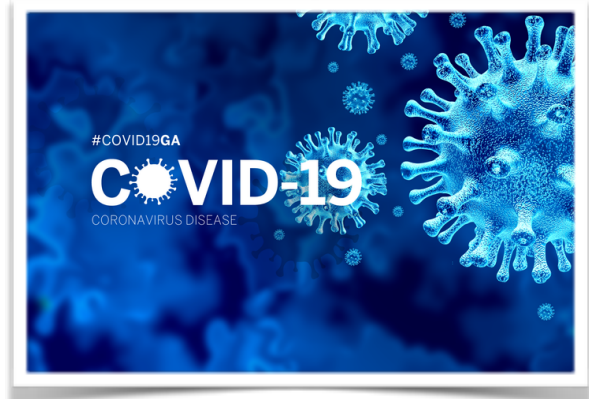
Were you in operation before February 15, 2020

Will you use the loan proceeds to retain workers, maintain payroll, or make mortgage, lease, or utility payments

Is the loan request necessary to support ongoing operations

You don't have a loan application pending for the duplicative purpose of the amounts applied for here

Good faith certification of all of the above



Lenders won't look for: Collateral, a personal guarantee, or denial of credit elsewhere.

3. HOW MUCH CAN I BORROW?

Loans can be up to 2.5 times your average monthly payroll costs. Up to \$10 million

4. HOW DO I CALCULATE MY AVERAGE MONTHLY PAYROLL COSTS?

Sum of **INCLUDED** Payroll Costs
- Sum of **EXCLUDED** Payroll Costs

INCLUDED COSTS	EXCLUDED COSTS
salary, wage, commission, or compensation	employee in excess of an annual salary of \$100,000
cash payments, tips	payroll taxes
paid vacation, parental, family, medical, or sick leave	income & railroad retirement taxes
allowance for dismissal or separation	Payment to residence outside of the U.S.
group healthcare or insurance premiums	credited family or sick leave (Covid19 credit)
retirement benefits	
state or local tax assessed on employee compensation	see attached links for more info

NON SEASONAL EMPLOYERS:

MAX LOAN = 2.5 x Average total monthly payroll costs incurred during the year prior to the loan date

FOR BUSINESSES NOT OPERATIONAL IN 2019: MAX LOAN = 2.5 x Average total monthly payroll costs incurred for Jan & Feb 2020

SEASONAL EMPLOYERS: MAX LOAN = 2.5 Average total monthly payments for payroll costs for the 12 week period beginning 2/15/19 or 3/1/19 (decided by the loan recipient) and ending 6/30/19



5. WILL THIS LOAN BE FORGIVEN

Borrowers are eligible to have their loans forgiven.

HOW MUCH?

A borrower is eligible for loan forgiveness equal to the amount the borrower spent on the following items during the 8-week period beginning on the date of the origination of the loan:

Payroll costs

Interest on the mortgage obligation incurred in the ordinary course of business

Rent on a leasing agreement

Payments on utilities (electricity, gas, water, transportation, telephone, or internet)

6. HOW COULD THE FORGIVENESS BE REDUCED?

The amount of loan forgiveness calculated above is reduced if there is a reduction in the number of employees or a reduction of greater than 25% in wages paid to employees.

see attached links for more info

For Further Resources

www.SBA.gov/Disaster

https://www.uschamber.com/sites/default/files/023595_comm_corona_virus_smallbiz_loan_final.pdf

<https://www.uschamber.com>

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