

Small Business Association

Information on Second Draw PPP Loans for Eligible Businesses

Notice: Paycheck Protection Program resumed January 11, 2021 at 9am ET

SBA, in consultation with the U.S. Treasury Department, reopened the Paycheck Protection Program (PPP) for First Draw PPP Loans the week of January 11, 2021. SBA began accepting applications for Second Draw PPP Loans on January 13, 2021.

SBA is currently accepting Second Draw PPP loan applications from participating lenders. [Lender Match](#) can help connect you with a lender. You can also [view all lenders near you on a map](#).

At least \$25 billion is being set aside for Second Draw PPP Loans to eligible borrowers with a maximum of 10 employees or for loans of \$250,000 or less to eligible borrowers in low or moderate income neighborhoods.

Loan details

The Paycheck Protection Program (PPP) now allows certain eligible borrowers that previously received a PPP loan to apply for a Second Draw PPP Loan with the same general [loan terms](#) as their First Draw PPP Loan.

Second Draw PPP Loans can be used to help fund payroll costs, including benefits. Funds can also be used to pay for mortgage interest, rent, utilities, worker protection costs related to COVID-19, uninsured property damage costs caused by looting or vandalism during 2020, and certain supplier costs and expenses for operations.

Maximum loan amount and increased assistance for accommodation and food services businesses

For most borrowers, the maximum loan amount of a Second Draw PPP Loan is 2.5x average monthly 2019 or 2020 payroll costs up to \$2 million. For borrowers in the Accommodation and Food Services sector (use [NAICS 72](#) to confirm), the maximum loan amount for a Second Draw PPP Loan is 3.5x average monthly 2019 or 2020 payroll costs up to \$2 million.

Who may qualify

A borrower is generally eligible for a Second Draw PPP Loan if the borrower:

- Previously received a First Draw PPP Loan and will or has used the full amount only for authorized uses
- Has no more than 300 employees; and
- Can demonstrate at least a 25% reduction in gross receipts between comparable quarters in 2019 and 2020

How and when to apply

You can apply for a Second Draw PPP Loan from January 13, 2021, until March 31, 2021. SBA is currently accepting Second Draw PPP loan applications from participating lenders. [Lender Match](#) can help connect you with a lender. You can also [view all lenders near you on a map](#). *All Second Draw PPP Loans will have the same terms regardless of lender or borrower.*

If you wish to begin preparing your application, you can download the following PPP borrower application form to see the information that will be requested from you when you apply with a lender:

- [Paycheck Protection Program Second Draw Borrower Application Form](#) (released 01-08-21)

Fifth Third Bank / Aprio Resources

Resources to Help You: Paycheck Protection Program

We are pleased to provide you with unlimited access to resources and webinar sessions through our arrangement with Aprio.

This collection of information will help you stay current with the Small Business Administration's (SBA) Paycheck Protection Program (PPP) as well as help you prepare for PPP loan forgiveness.

Simply visit the [PPP Loan Preparation Toolkit](#) to get started. You can also [register](#) for one of the many live [webinars](#) hosted by Aprio's CPA-focused business advisors through the toolkit's [webinar tab](#).

Upcoming PPP Webinars: January

Applying for First and Second Draw PPP Loans

January 26 | January 28

Aprio will continue to provide the most up-to-date information regarding:

- Eligibility for First and Second Draw PPP loans
- How to calculate your maximum loan amount
- Required documentation
- And more!

What's New with the PPP Loan Forgiveness?

January 27

The Consolidated Appropriations Act, 2021, along with subsequent guidance from the SBA, amends several rules pertaining to PPP loan forgiveness. This webinar will provide an update on the latest regulations impacting your PPP loan.

Questions?

If you have any questions regarding this information, please contact your Fifth Third relationship manager or banker, or call us at 877-579-5300, Monday through Friday, 8 a.m. to 5 p.m., ET.