

separately addressed in this interim final rule. The program requirements of the PPP identified in this rule temporarily supersede any conflicting Loan Program Requirement (as defined in 13 CFR 120.10).

B. What Do Borrowers Need to Know and Do?

1. What businesses, organizations, and individuals are eligible?

a. Am I eligible?^{2,3}

You are eligible for a PPP loan if:

i. you, together with any affiliates (if applicable),⁴ are:

- a small business concern under the applicable revenue-based size standard established by SBA in 13 C.F.R. 121.201 for your industry or under the SBA alternative size standard⁵;
- an independent contractor, eligible self-employed individual, or sole proprietor;
- a business concern, a tax-exempt nonprofit organization described in section 501(c)(3) of the Internal Revenue Code (IRC), a tax-exempt veterans organization described in section 501(c)(19) of the IRC, a Tribal business concern described in section 31(b)(2)(C) of the Small Business Act, and you

² See interim final rule on Second Draw PPP Loans for eligibility criteria for Second Draw PPP Loans, which is being published separately.

³ This subsection was originally published at 85 Fed. Reg. 20811, subsection III.2.a. (April 15, 2020), as amended by 85 Fed. Reg. 36308 (June 16, 2020), 85 Fed. Reg. 36717 (June 18, 2020), and 85 Fed. Reg. 38301 (June 26, 2020), and has been modified to reflect subsequent rules or guidance and the Economic Aid Act.

⁴ See section 3 regarding the applicability of affiliation rules at 13 CFR 121.103 and 121.301 to PPP loans.

⁵ Under SBA's alternative size standard, a business concern may qualify as a small business concern if it, together with any affiliates: (1) has a maximum tangible net worth of not more than \$15 million; and (2) the average net income after Federal income taxes (excluding any carry-over losses) for the two full fiscal years before the date of application is not more than \$5 million.

employ no more than the greater of 500 employees or, if applicable, the size standard in number of employees established by SBA in 13 C.F.R. 121.201;

- a housing cooperative, an eligible section 501(c)(6) organization, or an eligible destination marketing organization⁶, that employs no more than 300 employees;
- a news organization that is majority owned or controlled by a NAICS code 511110 or 5151 business or a nonprofit public broadcasting entity with a trade or business under NAICS 511110 or 5151, that employs no more than 500 employees (or, if applicable, the size standard in number of employees established by SBA in 13 C.F.R. 121.201 for your industry) per location; or
- another type of entity specifically provided for by PPP rules (as described below); and

ii. you were in operation on February 15, 2020, and either had employees for whom you paid salaries and payroll taxes or paid independent contractors, as reported on a Form 1099-MISC or you were an eligible self-employed individual, independent contractor, or sole proprietorship with no employees.

You must submit documentation sufficient to establish eligibility and to demonstrate the qualifying payroll amount, which may include, as applicable, payroll records, payroll tax filings, Form 1099-MISC, Schedule C or F, income and expenses from a sole proprietorship, or bank records.

⁶ See subsections 1.j., 1.k., and 1.m. for additional information on the eligibility of housing cooperatives, section 501(c)(6) organizations, and destination marketing organizations. The applicable size standard for these entities is not more than 300 employees.