

MACOMB COUNTY PPP Updates And New Grant for Independent Contractors

PPP Updates

SBA has released new rules for PPP Forgiveness. From [Forbes Magazine](#), there are two versions.

- [EZ Forgiveness Application](#)
- [Revised Full Forgiveness Application](#)

You may use the [EZ Forgiveness Application](#) if you:

- Are self-employed and have no employees; OR
- Did not reduce the salaries or wages of your employees by more than 25%, and did not reduce the number or hours of their employees; OR
- Experienced reductions in business activity as a result of health directives related to COVID-19, and did not reduce the salaries or wages of your employees by more than 25%.

If none of the above are true, then you should use the Full Forgiveness Application.

There is **full forgiveness for self-employed, freelancers and independent contractors who took the maximum loan amount based on 2.5 times their 2019 monthly income.**

There is updated guidance for **computing owner's compensation**. Either:

- Eight weeks' worth (8/52) of 2019 net profit (up to \$15,385) for an eight-week covered period or
- 2.5 months' worth (2.5/12) of 2019 net profit (up to \$20,833) for a 24-week covered period.

Other new rules and examples from this [Forbes Magazine](#) article.

However, we're still waiting for more detail on how the application process will work.

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New Grant for Independent Contractors

On June 15, 2020, the SBA announced that it was again opening up its [Economic Injury Disaster Loan \(EIDL\)](#) grant and loan program. This means that **independent contractors, freelancers, and gig workers are eligible to receive a \$1,000 grant that does not have to be repaid.**

You must have been in business as of January 31, 2020. The grants are available until December 16, 2020, but the SBA will quickly run out of money, **so you should apply as soon as possible.**

Here are some **tips from Forbes Magazine**

- On the first question, check the third box as you are applying as an independent contractor or sole proprietorship.
- You must add your Social Security number if you are applying as an individual independent contractor, freelancer, or gig worker.
- The form will ask you for the gross revenues for the last 12 months for your independent contractor business and the “cost of goods sold.” You can estimate this based on what happened in 2019. Cost of goods sold means the expenses incurred in the process of providing your product or service as a freelancer, gig worker, or independent contractor.
- Where it asks for “Owner” put your name and “100” percent owner.
- It will ask for the date the business was established. This is the date you started doing freelance, gig work, or independent contractor work. Just estimate if you don’t have the exact date, but make sure it was before January 31, 2020.
- The form will ask for the bank account to which you want the grant money direct deposited. You need the name of your bank, the account number (the middle number at the bottom of your checks), and the routing number (the number at the bottom left of your checks). See the question below on direct depositing.
- For your business phone number, it’s okay to give your cell number.
- “Is your business owned by a business entity?” The answer is no since you are an individual owner.
- When the form asks for your business name, just enter your individual name if you don’t have a business name.
- You can ignore the question “If anyone assisted you in completing this application ...” unless you have in fact gotten help.
- Make sure to check the box that says you want to apply for the \$10,000 grant (although it will only be \$1,000 for independent contractors, freelancers, and gig workers).

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Macomb County Grant Program

The funds will be distributed as **\$5,000 grants** that businesses can use to offset losses created by the coronavirus pandemic. Applications will be accepted **beginning on June 11 through June 24.**

Who is eligible:

- Must have a **physical location in Macomb County** (office/building/store front).
- Employ between **1 and 49 employees.**
- Must be a **for-profit** organization.
- Businesses must have a valid **Employer Identification Number (EIN).**
- Business must have been **in business for at least 12 months.**
- **Did not receive a grant** through the recent Michigan Small Business Relief Program (SBRP) grants distributed by the county.

[For More Information: Macomb County Small Business Sustainability program](#)

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Macomb County Back-To-Business Kits

Macomb County is providing personal protection equipment for businesses as they prepare to open for business. Kits will be available for pickup at a location in Clinton Township.

Depending on the number of people you employ, kits will include:

- Reusable face coverings
- Face shields
- Gloves
- Touchless thermometer
- Building signage
- And other items to help make your workplace safer for employees and customers.
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[Apply Here!](#)

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[For the latest news Michigan SBDC COVID-19](#)

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