



paycheck protection for non-profits

Charitable Organizations May Apply for Forgivable Loans Under the CARES

Act

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As part of the unprecedented \$2 Trillion stimulus package (the CARES Act), charitable organizations exempt under Internal Revenue Code section 501(c)(3) with 500 or fewer employees may apply for loans under the Paycheck Protection Program (PPP) provision of the Act.

All loans to qualifying charities will have the same terms:

1. The interest rate is 1%
2. The term is 2 years
3. The amount of the loan is the lesser of \$10 million or 2.5 times the organization's average payroll expense for the prior year
4. At least a portion of the loan may be forgiven (see below)

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