



Investing in the growth
of small business

Paycheck Protection Program (PPP) Max Loan Amount

SCHEDULE C FILERS WITH EMPLOYEES

Use this worksheet to calculate the maximum PPP loan amount you may request

Step 1: Determine Owner Compensation:

Use Schedule C from your tax records from either 2019 or 2020 (your choice) to make your calculation:

EITHER:

Net profit (line 31) is **Owner Compensation**

OR:

Start with gross income (line 7)

- Subtract employee benefits programs (line 14)

- Subtract pension and profit-sharing (line 19)

- Subtract wages less employment credits (line 26)

= **Owner Compensation**

Step 2: Add Employee Payroll Costs to Determine Total Eligible Payroll Costs

Select and enter **Owner Compensation** from the options above.

HEADS UP: If this amount is more than \$150,000, SBA may review your certification concerning the necessity of the loan and whether you complied with PPP eligibility criteria.

+ Add employee payroll costs (from **Form 941**)

= **Total Eligible Payroll Costs**

Step 3: Determine Average Monthly Payroll Costs

÷ 12 Divide your Total Eligible Payroll Costs from section above by 12 to determine your average monthly payroll costs

x2.5 Multiply your average monthly payroll costs by 2.5
<< This is your Initial Max Loan Amount, without EIDL refinance

Step 4: IF APPLICABLE: Add EIDL Refi Amount

IF APPLICABLE: Enter the outstanding amount of any Economic Injury Disaster Loan (EIDL) made between 1/31/20 and 4/3/20 that you seek to refinance. Do not include the amount of any advance under an EIDL COVID-19 loan (as it does not have to be repaid).

If not applicable, enter \$0.

Initial Max Loan Amount plus EIDL refi amount

<< This is your Max Loan Amount.