You Now Have An Extra Week to Return Your SBA PPP Loan

If your business accepted government-backed stimulus funds in error, you have until May 14 to make good.

May 6, 2020 2 min read

There has been no shortage of controversy surrounding the Small Business Administration's (SBA) Paycheck Protection Program, a cornerstone of the federal government's CARES Act to restart our economy. From confusion concerning forgiveness to widespread criticism over publicly traded companies hoovering up hundreds of millions of the PPP's available billions, it has been a theoretically well-intentioned mess.

As we've documented, dozens of mid-size and large companies, including Shake Shack and hotel giant Ashford Hospitality, have been shamed into returning their sizeable sums and offering compulsory statements of contrition. In response, Treasury Secretary Steve Mnuchin authorized a formal review of SBA PPP loans exceeding $2 million, and the SBA announced that borrowers who may have misapprehended the conditional nature of their original application could – so long as they applied prior to April 24 – return what had been granted by May 7 and spared any further scrutiny.

Related: Is The SBA Denying Disaster Loans to Anyone Arrested in the Last 10 Years?

But today, on the eve of that looming occasion (and, we assume though do not yet know, at the behest of anxious CEOs scrambling to suss out whether they fall into the category of

undue recipients), the SBA extended that deadline by a week, to May 14.

Per the SBA's own appended doctrine (see FAQ 43), "This extension will be promptly implemented through a revision to the SBA's interim final rule providing the safe harbor. SBA intends to provide additional guidance on how it will review the certification prior to May 14, 2020."

For the countless small-business owners nationwide relying on much humbler slices of the PPP pie to survive, the wait continues.

https://www.entrepreneur.com/article/350262