**Paycheck Protection Program**

**A report by the Small Business Administration's Office of the Inspector General said that PPP lenders accidentally issued 8,731 duplicate loans. The multiple payments, totaling $692 million went to 4,260 borrowers. The SBA says it will seek to recover the overpayments. *(Businessinsider.com, as it appeared in The Week magazine, March 26, 2021)***

**Rescue: an aid windfall for big hotel chain: A $2.2 billion hotel group, the biggest beneficiary of the federal Paycheck Protection Program, said it had no plans to return $126 million in loans intended for small businesses, said Paul O'Donnell in The Dallas Morning News. Other large businesses, such as Shake Shack, Ruth's Chris Steak House, and Auto Nation "returned more than $170 million to the program." A new, $310 billion round of PPP funding began this week but was marred by computer glitches that kept many businesses from applying. *(The Week magazine, May 8, 2020)***

**So far, the Small Business Administration has received 96,000 loan-forgiveness applications from 5.2 million businesses that borrowed $525 billion through the Payroll Protection Program. None has yet been approved or denied. *(Politico.com, as it appeared in The Week magazine, October 9, 2020)***

**NFL Super Bowl Champion Tom Brady owns an athletics business: TB12. Early in the pandemic, TB12 got a $960,855 PPP loan meant for small businesses. Brady is worth $200 million -- he made over $100,000 on Sunday's Super Bowl game alone. Meanwhile, 9 million small businesses in the U.S. fear they won't survive a pandemic. *(change.org)***

**The 200 Catholic dioceses in the U.S. and other Catholic institutions have received at least $3 billion in taxpayer-funded Paycheck Protection Program Covid-19 relief. A church spokeswoman said the PPP was designed "to protect the jobs of Americans from all walks of life...faith-based or secular." *(APNews.com, as it appeared in The Week magazine, February 19, 2021)***

**No guarantee of forgiveness: Federal loans offered to small businesses affected by the pandemic might not be easily forgivable as many business owners believe, said Alan Rappeport and Emily Flitter in The New York Times. Paycheck Protection Program loans don't need to be paid back if "businesses allocate 75 percent of the money to cover payroll costs," with 25 percent for rent and other overhead expenses. As the crisis drags on, however, "some businesses are facing small payroll expenses because workers have opted for more generous unemployment benefits. "With many stores still under lockdown orders, business owners are growing concerned that they could be saddled with debt. And the process for having the loans forgiven is still unclear. For all the hurdles in getting loans approved, "the forgiveness phase could be 10 more complex." *(The Week magazine, May 22, 2020)***

**Federal aid: Frequent fraud in PPP loans: Evidence of widespread fraud in the government's Paycheck Protection Program is growing, said Ryan Tracy in The Wall Street Journal. In the rush to distribute more than $525 billion in forgivable loans to small businesses during lockdowns this spring, banks and the government only asked companies to "self-certify that they needed funds, with little vetting." The Small Business Administration's inspector general said last month that "tens of thousands of companies received PPP loans for which they appear to be ineligible," and the Treasury Department has received nearly 2,500 reports of suspicious activity. *(The Week magazine, November 20, 2020)***

**Congress: GOP won't back new $3 billion stimulus: "Hopes are fading on Capitol Hill for a deal on the second round of coronavirus relief before an approaching Memorial Day recess," said Burgess Everett and Heather Caygle in Politico.com. House Speaker Nancy Pelosi is proceeding toward a vote on a $3 trillion package unveiled this week that includes $875 billion in cash for state and local governments a s well as mortgage relief, rental assistance, and another round of $1,200 stimulus checks. But Senate Majority Leader Mitch McConnell appeared in no rush to push his own legislation, saying the Republican Party was "still assessing what we've done already." *(The Week magazine, May 22, 2020)***

**Help to those who need it least: "Under the cover of the pandemic," the wealthy got a "tax break bonanza" in last month's $2 trillion dollar stimulus package, said Jesse Drucker. While small businesses and the unemployed "jostle to grab small slices of aid," the government is giving away $174 billion in temporary tax breaks to rich individuals and large companies. Many of the breaks "undo limitations that were imposed to rein in the giveaways in the 2017 tax cuts. One change, "worth more than $13 billion over the decade, loosens 2017 restrictions on how much interest big companies can deduct on their taxes." The law also lifts restrictions on how companies can use paper losses -- including some "expenses that are only for tax purposes and that don't reduce profits reported to shareholders" -- to cut their tax bills in future years. That change is especially strange, because it gives companies a break for losses they had in 2019 but won't get them anything for coronavirus-related losses until next year. Individuals can shelter up to $500,000of their non-business income -- such as gains on the stock market -- by deducting business losses. The provision is retroactive, applying to 2018 and 2019, so it seems to have little to do with the virus. As one tax expert put it, it looks more like an excuse for "shoveling money to rich people." *(The Week magazine, May 8, 2020)***

**Small business: Loan forgiveness gets easier: Businesses that borrowed less than $50,000 from the government's Paycheck Protection Program learned this week that their debts are forgiven, said Erin Arvedlund in The Philadelphia Enquirer. The new government guidance is "welcome relief" to 3.5 million small-business owners who applied for such loans this spring. The agencies said the debts would be wiped "even if they had to cut employees or wages." But accountants are still "urging owners to hold off applying for forgiveness to see if the government further sweetens the pot." (*The Week magazine, October 23, 2020)***

**The Los Angeles Lakers repaid a $4.6 million loan the team received through the federal government's Payment Protection Program after seeing that funds intended for small businesses were depleted. The NBA's second most valuable franchise, worth $4.4 billion, employs about 300 people in addition to LeBron James and Anthony Davis. *(CNN.com, as it appeared in The Week magazine, May 8, 2020)***

**No bailout for micro-businesses: Sole proprietors and contractors have been getting "shut out" of the small business loan program, said Michael Sasso in Bloomberg.com. A Treasury Department spokesman said "the self-employed and contractors got tens of billions of dollars in loans" through the Paycheck Protection Program, but small-business advocates say they haven't seen that. "The smallest of businesses lack clout with banks" that have been crucial to obtaining financing. The self-employed were also unable to start applying until a week after other businesses, and got no guidance about their maximum loan amount or what documentation they needed until two days before the money ran out. This has been frustrating for solo entrepreneurs like Dara Padwo-Audick, who "never heard a word on her loan application" for her video production firm and who also can't collect unemployment insurance. *(The Week magazine, May 8, 2020)***

**Nearly 40 percent of Americans - and 47 percent of those who are still working -- say they're saving their government stimulus payment. *(Axios.com, as it appeared in The Week magazine, May 22, 2020)***

**A Goldman Sachs survey of 1,760 small business owners found that 68 percent think the pandemic will permanently change their business models. In addition, 63 percent say their cash reserves will last less than three months, while 71 percent are still awaiting a response to their PPP loan application. *(Axios.com, as it appeared in The Week magazine, May 8, 2020)***

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