## Small Business: EIDL Does Not Roll into PPP Loan

### Loan Eligibility:
- **Employees**: 45, ≤500 EE
- **Industry**: Gift Store
- **Operation Date**: 1/30/19, operates before 1/31/20
- **Annual Revenue**: $799,000, no limit because business qualifies by EE guideline

### NAICS:
- 53220

### Business Expenses:
- **Annual Payroll**: $669,000, hypothetical amount used from prior example
- **Monthly Mortgage (principal + interest)**: $8,500
- **Monthly Utilities**: $4,000

### Applied to EIDL before 4/3/20
- **Loan Amount**: $75,000, up to $2mm
- **Collateral**: yes, none required because funds used for Covid19-triggered expenses

### Immediate Use of EIDL:
- **Trade Payable**: $50,000
- **Payroll**: $0, business planned to also apply for PPP, so it did not apply funds to payroll
- **Fixed Debts**: $25,000, excludes refinancing debt incurred prior to Covid19, repairing physical damage, or paying dividends

### Separately Applied to PPP on 4/3/20
- **PPP Loan Amount**: $139,375, hypothetical amount (see PPP-only scenario for calculation)
- **EIDL Amount**: $75,000, this amount is not rolled into a PPP loan because it was not used on PPP-qualifying expenses

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This analysis represents a fictitious entity per SBA guidance and is to be used as an example only.