



# TaxNewsFlash

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## FAQs on PPP loans; payments of fees and health benefits (COVID-19)

The U.S. Treasury Department updated a set of “frequently asked questions” (FAQs) concerning the Paycheck Protection Program (PPP) as administered by the Small Business Administration (SBA).

The PPP is one of two programs that provides financial support lending for small and large businesses pursuant to measures included in the *Coronavirus Aid, Relief, and Economic Security Act* (CARES Act) (Pub. L. No. 116-136).

The [FAQs](#) [PDF 120 KB] (updated August 11, 2020) now include FAQ #50 and FAQ #51 to provide that:

- Payment (or nonpayment) of fees of an agent or third party is not material to SBA guarantee of a PPP loan or SBA payment of fees to lenders.
- Payment of required group health care benefits includes vision and dental benefits.

### Full text of FAQ #50 and FAQ #51

**50. Question:** *What effect does the payment or nonpayment of fees of an agent or other third party have on SBA’s guarantee of a PPP loan or SBA’s payment of fees to lenders?*

**Answer:** *The payment or nonpayment of fees of an agent or other third party is not material to SBA’s guarantee of a PPP loan or to SBA’s payment of fees to lenders. Additional information about such fees can be found in paragraph III.4.c of the initial Paycheck Protection Program interim final rule ([link](#)).*

**51. Question:** *Do payments required for the provision of group health care benefits, including insurance premiums, include vision and dental benefits?*

**Answer:** Yes.

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