

SB 137 -2 Paycheck Protection Program (PPP) Loan Forgiveness Partial Disconnect

What is PPP?

- Small Business Administration (SBA) loan program that supports businesses, nonprofits, and self-employed individuals during the pandemic
- Loans eligible for forgiveness

What the -2 amendment does

- Oregon addition to taxable income for PIT & Corp taxpayers for amount of PPP loan forgiveness received in the tax year
- First \$100,000 in loan forgiveness is exempt from addition requirement
- Pass-throughs: \$100,000 exemption is for loan forgiveness for business entity, individual owner addition based on pro rata share of loan forgiveness > \$100,000
- Applies tax years 2020 through 2025

| PPP Approved Amount Totals by Calendar Year | | | | |
|---|---------------------|-------------------|-----------------|-------------------|
| Year | National | | Oregon | |
| | Number of Loans (M) | Loan Amount (\$B) | Number of Loans | Loan Amount (\$B) |
| 2020 | 5.21 | \$525 | 66,344 | \$7.1 |
| 2021 | 6.48 | \$274 | 50,517 | \$3.0 |
| Total | 11.69 | \$799 | 116,861 | \$10.1 |

Source: Raw totals as reported from SBA as of 5/23/2021

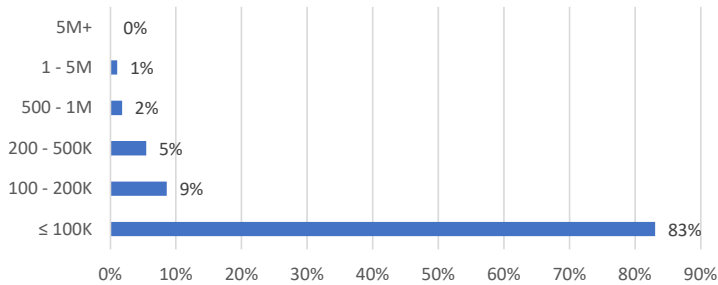
OR PPP Loans

Note: Data excludes nonprofits & availability of data differs from previous table.

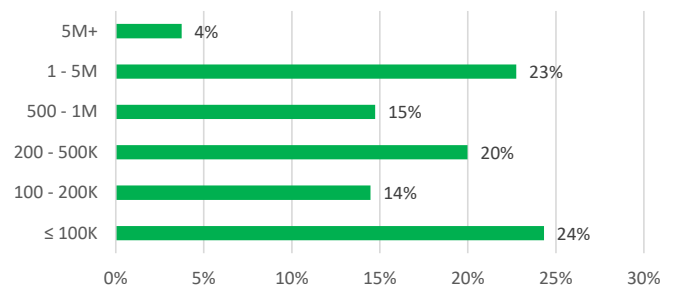
| Oregon PPP Loans by Loan Amount Years 2020 & 2021 | | | | | | |
|---|-----------------|---------------|----------------------|---------------|-----------------------|----------------------|
| Loan Amount \$'s | Number of Loans | Pct. Of Total | Amount of Loan (\$B) | Pct. Of Total | Excludes First \$100K | |
| | | | | | Amount of Loan (\$B) | Pct. Of Total > 100K |
| ≤ 100K | 90,113 | 83% | 2.2 | 24% | 0.0 | 0% |
| 100 - 200K | 9,346 | 9% | 1.3 | 14% | 0.4 | 29% |
| 200 - 500K | 5,917 | 5% | 1.8 | 20% | 1.2 | 67% |
| 500 - 1M | 1,937 | 2% | 1.3 | 15% | 1.1 | 85% |
| 1 - 5M | 1,120 | 1% | 2.1 | 23% | 1.9 | 95% |
| 5M+ | 49 | 0% | 0.3 | 4% | 0.3 | 99% |
| Total | 108,482 | 100% | 9.0 | 100% | 5.0 | 55% |

Source: SBA PPP loan data

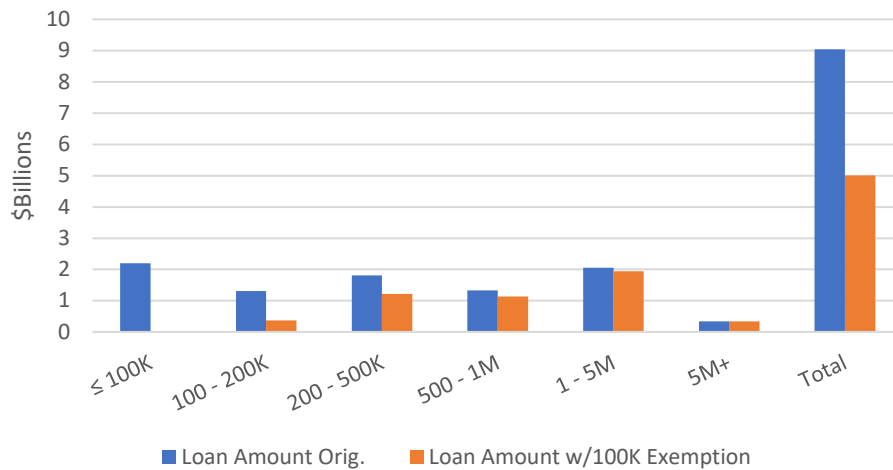
Share of Total Number of Loans by Size of Loan



Share of Total Loan Amount by Size of Loan



Potential of \$100K Loan Forgiveness Exemption



OR PPP Loans - Business Sector

| Oregon PPP Loans by Business Sector Years 2020 & 2021 | | | | | | |
|---|-----------------|---------------|----------------------|---------------|-----------------------|----------------------|
| Business Sector | Number of Loans | Pct. Of Total | Amount of Loan (\$B) | Pct. Of Total | Excludes First \$100K | |
| | | | | | Amount of Loan (\$B) | Pct. Of Total > 100K |
| Other Services | 34,127 | 31% | 2.6 | 29% | 1.5 | 58% |
| Arts/Ent./Accom./Food Serv. | 14,774 | 14% | 1.3 | 15% | 0.6 | 49% |
| Prof. Services | 14,119 | 13% | 1.0 | 11% | 0.5 | 54% |
| Wholesale & Retail Trade | 12,097 | 11% | 1.2 | 13% | 0.7 | 59% |
| Construction | 11,392 | 11% | 1.3 | 14% | 0.8 | 60% |
| Health & Social Services | 11,308 | 10% | 1.0 | 11% | 0.5 | 52% |
| Ag & Forestry | 5,565 | 5% | 0.4 | 4% | 0.2 | 49% |
| Real Estate & Rental | 5,100 | 5% | 0.2 | 3% | 0.1 | 46% |
| All Sectors | 108,482 | 100% | 9.0 | 100% | 5.0 | 55% |

Effect of \$100K Loan Forgiveness Exemption by NAICs Sector

