

FAQ: Yes, Churches are Eligible for the Paycheck Protection Program



April 4, 2020- PRESS RELEASE

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Many church leaders have been curious about whether they qualify for the Paycheck Protection Program. Below are answers to some common questions.

Who is eligible for the SBA Paycheck Protection Program?

All churches are eligible for the forgivable loans available under the Paycheck Protection Program.

Do you need to file a Form 990?

No church should have to file a Form 990. If you are told you need to file a Form 990, please contact our office at (202) 225-4021.

What box do you check on the SBA Application Form 2483?

- Churches should check the "501(c)(3) nonprofit" box in the top left corner of the form.
- You do not need to have any formal recognition from the IRS in order to be considered a 501(c)(3) entity. You do not need a determination letter from the IRS.

Why should I check the "501(c)(3) nonprofit" box?

- You are automatically recognized as a 501(c)(3) organization as long as you are organized and operated exclusively for the exempt purposes outlined in section 501(c)(3).
- To qualify for tax-exempt status, the organization must meet the following requirements:
 - the organization must be organized and operated exclusively for religious, educational, scientific or other charitable purposes;
 - net earnings may not inure to the benefit of any private individual or shareholder;
 - no substantial part of its activity may be attempting to influence legislation;
 - the organization may not intervene in political campaigns; and
 - the organization's purposes and activities may not be illegal or violate fundamental public policy.

For more information: <https://www.irs.gov/pub/irs-pdf/p1828.pdf>

Want to read more on the fight against Coronavirus? Read our [Coronavirus Bulletin here](#) which contains our extensive [FAQ about recent federal actions](#).

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