

# U.S. Sen. Johnson: Introduces bill to ensure assistance for businesses in need, transparency in PPP loans

Posted on Friday, Aug 7, 2020

>> **WisPolitics is now on the State Affairs network. Get custom keyword notifications, bill tracking and all WisPolitics content. [Get the app or access via desktop.](#)**

**WASHINGTON** — U.S. Sen. Ron Johnson (R-Wis.) introduced the Paycheck Protection Program Integrity Act this week, legislation to ensure Paycheck Protection Program (PPP) loans are forgiven for the businesses most in need of federal assistance and to ensure full transparency of PPP loan distributions.

**“PPP was created to be a lifeline to businesses and non-profit organizations devastated by government shutdown orders and the COVID recession. It was never intended to protect or enhance profits for thriving businesses or organizations,”** Senator Johnson said. **“This legislation will help direct financial relief to those that truly need it, and limit the extent to which we further mortgage our children’s future.”**

The Paycheck Protection Program Integrity Act requires any new recipient of PPP loans that ends the taxable year with profits to repay up to the full amount of the PPP loan. If a PPP loan recipient ends the year at an operating loss, or with equal or decreased net assets for a non-profit organization, the recipient will not have to repay any of the PPP loan.

A PPP loan recipient need only submit its tax return for the taxable year of the covered loan, and subtract the PPP loan amount from any after-tax income to determine any PPP loan repayment. Non-profit loan recipients need only submit their net assets for this and the previous year, and subtract the PPP loan amount from any net assets increase that occurred from year-to-year to determine any PPP loan repayment. The Paycheck Protection Program Integrity Act does not apply

retroactively to previously issued loans.

The Paycheck Protection Program Integrity Act also requires full disclosure of PPP loan information to the IRS, an agency inspector general, the Pandemic Recovery Accountability Committee, Congress, or to the public as provided under the Freedom of Information Act. This gives taxpayers full transparency on how their dollars are being used for PPP.

Full text of the legislation can be found [here](#).