

## PPP LOAN FORGIVENESS APPLICATION CHECKLIST

In order to have all or part of your PPP loan considered for forgiveness, you will need to complete and submit an application with supporting documentation **to your lender**.

### SBA FORMS

SBA Form 3508 EZ

OR

SBA Form 3508 including:

- PPP Loan Forgiveness Calculation Form
- PPP Schedule A Payroll
- PPP Schedule A Worksheet (Mandatory to complete. Do not submit)
- PPP Borrower Demographic Form (Optional)



PPP Forgiveness Application Forms:

[Form 3508](#), [Instructions](#)  
[Form 3508 EZ](#), [Instructions](#)

### SUPPORTING DOCUMENTATION FOR SUBMISSION



- Bank account statements
- Third-party payroll service provider reports
- Payroll tax filings. Typically, Form 941
- State quarterly business and individual employee wage reporting and unemployment insurance tax filings reported, or that will be reported
- Payment receipts, cancelled checks OR account statements documenting the amount of any employer contributions to employee health insurance and retirement plans
- Historic Payroll Provider Reports  
OR documentation showing the average number of FTE on payroll between (at the election of the Borrower):
  - a. February 15, 2019 and June 30, 2019
  - b. January 1, 2020 and February 29, 2020
  - c. Seasonal employers can choose from above dates or any consecutive twelve-week period between May 1, 2019 and September 15, 2019.



The selected time-period must be the same time- period selected for purposes of completing PPP Schedule A, line 11.

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## NON-PAYROLL ELIGIBLE EXPENSES

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Documentation must verify existence of the obligations/services prior to February 15, 2020.



### MORTGAGE INTEREST

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- Copy of lender amortization schedule
  - AND**
  - Receipts or cancelled checks verifying eligible payments from the Covered Period
  - OR**
  - Lender account statements from February 2020 and the months of the Covered Period through one month after the end of the Covered Period verifying interest amounts and eligible
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### BUSINESS RENT

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- Copy of current lease agreement
  - OR**
  - Lessor account statements from February 2020 and from the Covered Period through one month after the end of the Covered Period verifying eligible payments.
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### BUSINESS UTILITY

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- Copy of invoices from February 2020 and those paid during the Covered Period
  - AND**
  - Receipts, cancelled checks
  - OR**
  - Account statements verifying eligible payments

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## SUPPORTING DOCUMENTATION FOR RECORDS

(not required for submission)

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- PPP Schedule A Worksheet or its equivalent

AND

- List and supporting documentation of each individual employee in PPP Schedule A Worksheet Table 1, including the “Salary/Hourly Wage Reduction” calculation.
- List and supporting documentation of each individual employee in PPP Schedule A Worksheet Table 2; specifically, that each listed employee received during any single pay period in 2019 compensation at an annualized rate of more than \$100,000.
- Documentation of any employee job offers and refusals, firings for cause, voluntary resignations, and written requests by any employee for reductions in work schedule.
- Documentation supporting the PPP Schedule A Worksheet “FTE Reduction Safe Harbor.”
  - All records relating to the Borrower’s PPP loan, including:
    - Documentation submitted with PPP loan application,
    - Documentation supporting the Borrower’s certifications as to the necessity of the loan request and its eligibility for a PPP loan
    - Documentation necessary to support the Borrower’s loan forgiveness application
    - Documentation demonstrating the Borrower’s material compliance with PPP requirements.
    - If applicable, documentation supporting an interruption of business due to government safety regulations.



The Borrower must retain all such documentation in its files for six years after the date the loan is forgiven or repaid in full, and permit authorized representatives of SBA, including representatives of its Office of Inspector General, to access such files upon request.



PAYROLL  
DETAILS

**Payroll costs paid** and **payroll costs incurred** during the Covered Period.

For each individual employee, the total amount of cash compensation eligible for forgiveness may not exceed an annual salary of \$100,000, as prorated for the covered period.

**Paid:** The day that paychecks are distributed or the Borrower originates an ACH credit transaction.

**Incurred:** The day that the employee's pay is earned.

**Note:** Payroll costs incurred but not paid during the Borrower's last pay period of the Covered Period are eligible for forgiveness if paid on or before the next regular payroll date.

Count payroll costs that were both paid and incurred only once.



EXPENSE  
DETAILS

**Cost must be paid or incurred** during the Covered Period and paid on or before the next regular billing date, even if the billing date is after the Covered Period.

Eligible nonpayroll costs cannot exceed 40% of the total forgiveness amount.

Count nonpayroll costs that were both paid and incurred only once.

**Mortgage obligations:** payments of interest (not including any prepayment or payment of principal) on any business mortgage obligation on real or personal property incurred before February 15, 2020

**Rent obligations:** business rent or lease payments pursuant to lease agreements for real or personal property in force before February 15, 2020.

**Utility payments:** business payments for a service for the distribution of electricity, gas, water, transportation, telephone, or internet access for which service began before February 15, 2020.