

PPP Loan Forgiveness: -

Forgiveness forms and instructions

- [SBA Form 3508 Paycheck Protection Program Loan Forgiveness Application](#) (updated 01-19-21)
- [SBA Form 3508EZ Paycheck Protection Program Loan Forgiveness Application](#) (updated 01-19-21)
- [SBA Form 3508S Paycheck Protection Program Forgiveness Application](#) (updated 01-19-21)
- [Loan Forgiveness Requirements and Loan Review Procedures as Amended by Economic Aid Act](#)

To apply for loan forgiveness:

1. Contact your PPP Lender and complete the correct form:

Your Lender can provide you with either the SBA Form 3508, SBA Form 3508EZ, SBA Form 3508S, or a Lender equivalent.

The 3508EZ and the 3508S are shortened versions of the application for borrowers who meet specific requirements. Your Lender can provide further guidance on how to submit the application.

2. Compile your documentation:

Payroll (*provide documentation for all payroll periods that overlapped with the Covered Period or the Alternative Payroll Covered Period*):

- Bank account statements or **third-party payroll service provider reports** documenting the amount of cash compensation paid to employees
- Tax forms (or equivalent third-party payroll service provider reports) for the periods that overlap with the Covered Period or the Alternative Payroll Covered Period:
 - Payroll tax filings reported, or that will be reported, to the IRS (**typically, Form 941**); and

- State quarterly business and individual employee wage reporting and unemployment insurance tax filings reported, or that will be reported, to the relevant state
- Payment receipts, cancelled checks, or account statements documenting the amount of any employer contributions to employee **health insurance and retirement plans** that the borrower included in the forgiveness amount

3. Submit the forgiveness form and documentation to your PPP Lender:

Complete your loan forgiveness application and submit it to your Lender with the required supporting documents and follow up with your Lender to submit additional documentation as requested. Consult your Lender for additional guidance and provide requested documentation in a timely manner.

4. Continue to communicate with your Lender throughout the process:

If SBA undertakes a loan review of your loan, your Lender will notify you of the review and the SBA loan review decision. You have the right to appeal certain SBA loan review decisions. Your Lender is responsible for notifying you of the forgiveness amount paid by SBA and the date on which your first payment will be due, if applicable.

Please Note:

Recent legislation has eliminated the original requirement to deduct the amount of **EIDL Advance** you may have received from your PPP loan forgiveness. Additional guidance and updated forms are forthcoming.

Select your Covered Period

Choose the 24-week Covered Period or Alternative Payroll Covered Period (if applicable) as the time frame for your incurred or paid payroll costs. If you were funded before June 5, you can choose either an 8-week or a 24-week period. The Covered Period cannot extend beyond December 31, 2020.

Payroll Documents - Reports available at ADP site

Proof of Cash Compensation –

ADP Run – Reports – Cares SBA-PPP: Loan forgiveness payroll Cost

Payroll tax filings, such as IRS Form 941

ADP Run – Taxes – Review Tax Documents – Switch to Classic view- 941 Employer’s Quarterly Federal Tax Return

Full-Time Equivalency (FTEE) -

ADP Run – Reports – Cares SBA-PPP: Loan forgiveness FTEE Comparison

EIDL Application No. – if received EIDL advance money.

Paycheck Protection Program resumed January 11, 2021 at 9am ET

If you didn’t apply first time or didn’t receive first PPP loan then apply that than PPP2

SBA, in consultation with the U.S. Treasury Department, reopened the Paycheck Protection Program (PPP) for First Draw PPP Loans the week of January 11, 2021. SBA began accepting applications for Second Draw PPP Loans on January 13, 2021.

SBA is currently accepting Second Draw PPP loan applications from participating lenders. [Lender Match](#) can help connect you with a lender. You can also [view all lenders near you on a map](#).

At least \$25 billion is being set aside for Second Draw PPP Loans to eligible borrowers with a maximum of 10 employees or for loans of \$250,000 or less to eligible borrowers in low or moderate income neighborhoods.

Loan details

The Paycheck Protection Program (PPP) now allows certain eligible borrowers that previously received a PPP loan to apply for a Second Draw PPP Loan with the same general [loan terms](#) as their First Draw PPP Loan.

Second Draw PPP Loans can be used to help fund payroll costs, including benefits. Funds can also be used to pay for mortgage interest, rent, utilities, worker protection costs related to COVID-19, uninsured property damage costs caused by looting or vandalism during 2020, and certain supplier costs and expenses for operations.

Maximum loan amount and increased assistance for accommodation and food services businesses

For most borrowers, the maximum loan amount of a Second Draw PPP Loan is 2.5x average monthly 2019 or 2020 payroll costs up to \$2 million. For borrowers in the Accommodation and Food Services sector (use [NAICS 72](#) to confirm), the maximum loan amount for a Second Draw PPP Loan is 3.5x average monthly 2019 or 2020 payroll costs up to \$2 million.

Who may qualify

A borrower is generally eligible for a Second Draw PPP Loan if the borrower:

- Previously received a First Draw PPP Loan and will or has used the full amount only for authorized uses
- Has no more than 300 employees; and
- **Can demonstrate at least a 25% reduction in gross receipts between comparable quarters in 2019 and 2020**

How and when to apply

You can apply for a Second Draw PPP Loan from January 13, 2021, until March 31, 2021. SBA is currently accepting Second Draw PPP loan applications from participating lenders. [Lender Match](#) can help connect you with a lender. You can also [view all lenders near you on a map](#). *All Second Draw PPP Loans will have the same terms regardless of lender or borrower.*

Targeted EIDL Advance Grant Program :-

*SBA EIDL Grants were renewed in the December 27, 2020 Corona Virus stimulus package. There have been a few changes to how the 2021 EIDL Grant work that are intended to target business with the most need. The new Targeted EIDL grants for 2021 can still be as large as \$10000 and still do not need to be repaid. **But this time they are restricted to previous EIDL grant applicants that received less than the full \$10000.** As of this writing you do not need to apply for this grant; the SBA will reach out to you if you are eligible. **Previous EIDL applicants that received a partial EIDL advance between \$1000 and \$9000 are eligible, as are those that previously applied for an EIDL Grant but didn't receive one due to a lack of available fundings.***

SBA Phone No. 800-877-8339 – Call this no. for any questions you have for EIDL application or if you need EIDL application no. (Previously applied)