



PAYCHECK PROTECTION PROGRAM LOAN FORGIVENESS CHECKLIST

\$150,000 OR LESS LOAN AMOUNT | LOANS RECEIVED ON OR AFTER JAN. 18 2021

WHAT DOCUMENTS AND INFO SHOULD BORROWERS BE GATHERING?

Paycheck Protection Program (PPP) borrowers can take steps now to make it easier to apply for forgiveness in the future. Here are some basic pieces of information from the PPP forgiveness application and required documents that borrowers can begin collecting now.

Register and apply for PPP forgiveness [here](#).

Draw 1

General Information Needed for PPP Loan Forgiveness Application

- Your tax identification number
SSN, EIN, or ITIN that was used to apply for the PPP loan
- PPP Loan Amount or SBA Loan Number
See "Paycheck Protection Program Note" for information
- Number of employees at Time of Loan Application and
at Time of Forgiveness

With the simplified forgiveness application process, if your loan is \$150,000 or less, in most cases you will not need to provide any documents to submit your application to the SBA for approval; however, you must retain documentation to substantiate forgiveness.

To qualify for loan forgiveness, PPP funds must be used for one or more of the following expenses billed or incurred during your covered loan period:

- Payroll costs, including employee benefits (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)
- Interest on mortgage obligations, where the mortgage obligations originated before Feb. 15, 2020
- Rent, under lease agreements in force before Feb. 15, 2020
- Certain utilities, for which service began before Feb. 15, 2020
- Operating expenditures
- Property damage
- Payments to supplier of goods
- Worker protection expenditures

Draw 2

General Information Needed for PPP Loan Forgiveness Application

- Your tax identification number
SSN, EIN, or ITIN that was used to apply for the PPP loan
- PPP Loan Amount or SBA Loan Number
See "Paycheck Protection Program Note" for information
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Demonstration of Revenue Reduction

To streamline forgiveness of Second Draw PPP Loans of \$150,000 or less where the borrower did not submit documentation of revenue reduction at the time of the loan application, SBA has determined that an alternative form of revenue reduction confirmation is warranted to document the borrower's revenue reduction. An independent third-party SBA contractor has developed a COVID Revenue Reduction Score (score) based on a variety of inputs including industry, geography, and business size. The score uses current data on economic recovery and return of businesses to operational status.*

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DEFINITIONS Covered Period: The period beginning on the PPP Loan Disbursement Date and ending on the earlier of the eight (8) consecutive weeks from the PPP Loan Disbursement Date OR up to twenty-four (24) consecutive weeks from the PPP Loan Disbursement Date. **DISCLAIMERS** Information required by the Small Business Administration for loan forgiveness is subject to change. Please see PPP Loan Forgiveness Application instructions for additional information required to be retained by the Borrower, but not submitted to the lender with the Loan Forgiveness Application **DISCLOSURES** *The independent third-party contractor will use a Consumer Demand Recovery Index that combines multiple data sources of the consumption of products and/or services (foot traffic, third party data, credit card spending, etc.) provided by businesses. Further, using the Business Operations Response Index, the score will measure the businesses' return to operational status, which includes employment and unemployment data, business to business payment transactions, mobility and foot traffic on workplace and visitor frequency at physical locations. The resulting score will reflect declines in revenue. The contractor has advised SBA that this methodology will result in a score that will adequately document that the borrower met the revenue reduction standard as required by section 7(a)(37)(i)(I) of the Small Business Act.