

Full PPP Loan Forgiveness Application *Overview*

June 29, 2020

PPP Forgiveness Application


Comprised of Four Components

PPP Loan Forgiveness
Calculation Form

PPP Schedule A

PPP Schedule A Worksheet

PPP Borrower Demographic
Information Form (optional)



Paycheck Protection Program
Loan Forgiveness Application Revised June 16, 2020

OMB Control Number 3245-0407
Expiration Date: 10/31/2020

PPP Loan Forgiveness Calculation Form

Business Legal Name ("Borrower")	DBA or Tradename, if applicable	
Business Address	Business TIN (EIN, SSN)	Business Phone
	Primary Contact	E-mail Address

SBA PPP Loan Number:

Lender PPP Loan Number:

PPP Loan Amount:

PPP Loan Disbursement Date:

Employees at Time of Loan Application:

Employees at Time of Forgiveness Application:

EIDL Advance Amount:

EIDL Application Number:

Payroll Schedule: The frequency with which payroll is paid to employees is:

☐ Weekly ☐ Biweekly (every other week) ☐ Twice a month ☐ Monthly ☐ Other

Covered Period:

to

Alternative Payroll Covered Period, if applicable:

to

If Borrower (together with affiliates, if applicable) received PPP loans in excess of \$2 million, check here: ☐

Forgiveness Amount Calculation:

Payroll and Nonpayroll Costs

Line 1. Payroll Costs (enter the amount from PPP Schedule A, line 10):

Line 2. Business Mortgage Interest Payments:

Line 3. Business Rent or Lease Payments:

Line 4. Business Utility Payments:

Adjustments for Full-Time Equivalency (FTE) and Salary/Hourly Wage Reductions

Line 5. Total Salary/Hourly Wage Reduction (enter the amount from PPP Schedule A, line 3):

Line 6. Add the amounts on lines 1, 2, 3, and 4, then subtract the amount entered in line 5:

Line 7. FTE Reduction Quotient (enter the number from PPP Schedule A, line 13):

Potential Forgiveness Amounts

Line 8. Modified Total (multiply line 6 by line 7):

Line 9. PPP Loan Amount:

Line 10. Payroll Cost 60% Requirement (divide line 1 by 0.60):

Forgiveness Amount

Line 11. Forgiveness Amount (enter the smallest of lines 8, 9, and 10):

SBA Form 3508 (06/20)

Page 1

Calculation Form

General Business Info


General PPP & EIDL Advance Info

Payroll Schedule

Covered Period/Alternative Payroll
Covered Period

Forgiveness Amount Calculation

FTE & Wage Reduction Adjustments,
Potential Forgiveness Amounts,
Forgiveness Amount



Paycheck Protection Program
Loan Forgiveness Application

OMB Control Number 3245-0407
Expiration Date: 10/31/2020

PPP Loan Forgiveness Calculation Form

Business Legal Name ("Borrower")		DBA or Tradename, if applicable	
Business Address		Business TIN (EIN, SSN)	Business Phone
		() -	
		Primary Contact	E-mail Address

SBA PPP Loan Number: Lender PPP Loan Number:

PPP Loan Amount: PPP Loan Disbursement Date:

Employees at Time of Loan Application:

Employees at Time of Forgiveness Application:

EIDL Advance Amount: EIDL Application Number:

Payroll Schedule: The frequency with which payroll is paid to employees is:
☐ Weekly ☐ Biweekly (every other week) ☐ Twice a month ☐ Monthly ☐ Other

Covered Period: to

Alternative Payroll Covered Period, if applicable: to

If Borrower (together with affiliates, if applicable) received PPP loans in excess of \$2 million, check here: ☐

Forgiveness Amount Calculation:

Payroll and Nonpayroll Costs

Line 1. Payroll Costs (enter the amount from PPP Schedule A, line 10):

Line 2. Business Mortgage Interest Payments:

Line 3. Business Rent or Lease Payments:

Line 4. Business Utility Payments:

Adjustments for Full-Time Equivalency (FTE) and Salary/Hourly Wage Reductions

Line 5. Total Salary/Hourly Wage Reduction (enter the amount from PPP Schedule A, line 3):

Line 6. Add the amounts on lines 1, 2, 3, and 4, then subtract the amount entered in line 5:

Line 7. FTE Reduction Quotient (enter the number from PPP Schedule A, line 13):

Potential Forgiveness Amounts

Line 8. Modified Total (multiply line 6 by line 7):

Line 9. PPP Loan Amount:

Line 10. Payroll Cost 75% Requirement (divide line 1 by 0.75):

Forgiveness Amount

Line 11. Forgiveness Amount (enter the smallest of lines 8, 9, and 10):

Application Example

PPP Loan: \$150,000

6 Employees total

Four 40 Hour/Week Employees

Two 35 Hour/Week Employees

1 Owner Draw

Loan Dispersed April 20th, 2020

Biweekly Payroll

Reduced Pay

Maintained Employee Headcount

Loan Forgiveness Application

PPP Loan Forgiveness Calculation Form (top half)

If a PPP borrower has received an EIDL grant, the forgiveness amount is reduced by that amount



Paycheck Protection Program
Loan Forgiveness Application Revised June 16, 2020

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PPP Loan Forgiveness Calculation Form

Business Legal Name ("Borrower")	DBA or Tradename, if applicable	
ABC Company		
Business Address	Business TIN (EIN, SSN)	Business Phone
1234 Main St	12-3456789	() -
Beverly, MA 01915	Primary Contact	E-mail Address
	Ethan Thomas	ethanthomas@gmail.com

SBA PPP Loan Number: XXXXXXXX Lender PPP Loan Number: XXXXXXXX

PPP Loan Amount: \$150,000 PPP Loan Disbursement Date: 04/20/2020

Employees at Time of Loan Application: 6 Employees at Time of Forgiveness Application: 6

EIDL Advance Amount: \$1000 EIDL Application Number: XXXXXX

Payroll Schedule: The frequency with which payroll is paid to employees is:

☐ Weekly ☒ Biweekly (every other week) ☐ Twice a month ☐ Monthly ☐ Other

Covered Period: 04/20/2020 to 06/14/2020

Alternative Payroll Covered Period, if applicable: 04/26/2020 to 06/20/2020

If Borrower (together with affiliates, if applicable) received PPP loans in excess of \$2 million, check here: ☐



Loan Forgiveness Application

PPP Loan Forgiveness Calculation Form(top half)

If a PPP borrower received an EIDL grant, the forgiveness amount will be reduced by that amount

The Covered Period is either (1) the 24-week (168-day) period beginning on the PPP Loan Disbursement Date, or (2) if the Borrower received its PPP loan before June 5, 2020, the Borrower may elect to use an eight-week (56-day) Covered Period. In no event may the Covered Period extend beyond December 31, 2020.

Alternative Payroll Covered Period: For administrative convenience, Borrowers with a **biweekly (or more frequent) payroll schedule** may elect to calculate eligible payroll costs using the 24-week (168-day) period (or for loans received before June 5, 2020 at the election of the borrower, the eight-week (56-day) period) that begins on the first day of their first pay period following their PPP Loan Disbursement Date



Loan Forgiveness Application

PPP Loan Forgiveness Calculation Form(bottom half)

Forgiveness Amount Calculation:

Payroll and Nonpayroll Costs

Line 1. Payroll Costs (enter the amount from PPP Schedule A, line 10):

Line 2. Business Mortgage Interest Payments:

Line 3. Business Rent or Lease Payments:

Line 4. Business Utility Payments:

Adjustments for Full-Time Equivalency (FTE) and Salary/Hourly Wage Reductions

Line 5. Total Salary/Hourly Wage Reduction (enter the amount from PPP Schedule A, line 3):

Line 6. Add the amounts on lines 1, 2, 3, and 4, then subtract the amount entered in line 5:

Line 7. FTE Reduction Quotient (enter the number from PPP Schedule A, line 13):

Potential Forgiveness Amounts

Line 8. Modified Total (multiply line 6 by line 7):

Line 9. PPP Loan Amount:

Line 10. Payroll Cost 60% Requirement (divide line 1 by 0.60):

Forgiveness Amount

Line 11. Forgiveness Amount (enter the smallest of lines 8, 9, and 10):

Schedule A and schedule A worksheet must be filled out to complete this portion



PPP Schedule A Worksheet

Employee's Name

Employee ID

Cash Compensation

Average FTE

Salary/Hourly Wage Reduction

FTE Reduction Safe Harbor 2



Paycheck Protection Program
Loan Forgiveness Application Revised June 16, 2020

OMB Control Number 3245-0407
Expiration Date: 10/31/2020

PPP Schedule A Worksheet

Table 1: List employees who:

- Were employed by the Borrower at any point during the Covered Period or the Alternative Payroll Covered Period whose principal place of residence is in the United States; and
- Received compensation from the Borrower at an annualized rate of less than or equal to \$100,000 for all pay periods in 2019 or were not employed by the Borrower at any point in 2019.

Employee's Name	Employee Identifier	Cash Compensation	Average FTE	Salary / Hourly Wage Reduction
FTE Reduction Exceptions:				
Totals:		Box 1	Box 2	Box 3

Table 2: List employees who:

- Were employed by the Borrower at any point during the Covered Period or the Alternative Payroll Covered Period whose principal place of residence is in the United States; and
- Received compensation from the Borrower at an annualized rate of more than \$100,000 for any pay period in 2019.

Employee's Name	Employee Identifier	Cash Compensation	Average FTE
Totals:		Box 4	Box 5

Attach additional tables if additional rows are needed.

FTE Reduction Safe Harbor 2:

- Step 1. Enter the borrower's total average FTE between February 15, 2020 and April 26, 2020. Follow the same method that was used to calculate Average FTE in the PPP Schedule A Worksheet Tables. Sum across all employees and enter: _____.
- Step 2. Enter the borrower's total FTE in the Borrower's pay period inclusive of February 15, 2020. Follow the same method that was used in step 1: _____.
- Step 3. If the entry for step 2 is greater than step 1, proceed to step 4. Otherwise, FTE Reduction Safe Harbor 2 is not applicable and the Borrower must complete line 13 of PPP Schedule A by dividing line 12 by line 11 of that schedule.
- Step 4. Enter the borrower's total FTE as of the earlier of December 31, 2020, and the date this application is submitted: _____.
- Step 5. If the entry for step 4 is greater than or equal to step 2, enter 1.0 on line 13 of PPP Schedule A; the FTE Reduction Safe Harbor 2 has been satisfied. Otherwise, FTE Reduction Safe Harbor 2 does not apply and the Borrower must complete line 13 of PPP Schedule A by dividing line 12 by line 11 of that schedule.

Loan Forgiveness Application

PPP Loan Forgiveness Schedule A Worksheet - Example

Employee Identifier –
last 4 of the social

Notice the FTE count is
different from the
number of employees
from the Calculation
Form



Paycheck Protection Program Loan Forgiveness Application

OMB Control Number 3245-0407
Expiration Date: 10/31/2020

PPP Schedule A Worksheet

Table 1: List employees who:

- Were employed by the Borrower at any point during the Covered Period or the Alternative Payroll Covered Period whose principal place of residence is in the United States; and
- Received compensation from the Borrower at an annualized rate of less than or equal to \$100,000 for all pay periods in 2019 or were not employed by the Borrower at any point in 2019.

Employee's Name	Employee Identifier	Cash Compensation	Average FTE	Salary / Hourly Wage Reduction
Chloe Hall	XXXX	\$5,750.00	0.9	0
Ava Miller	XXXX	\$8,200.00	0.9	\$482.50
Harper Williams	XXXX	\$9,600.00	1	\$262.50
Amelia Taylor	XXXX	\$9,230.00	1	\$577.69
FTE Reduction Exceptions:				
Totals:		Box 1 \$32,780	Box 23.8	Box 3 \$1,302.69

Table 2: List employees who:

- Were employed by the Borrower at any point during the Covered Period or the Alternative Payroll Covered Period whose principal place of residence is in the United States; and
- Received compensation from the Borrower at an annualized rate of more than \$100,000 for any pay period in 2019.

Employee's Name	Employee Identifier	Cash Compensation	Average FTE
Carter Anderson	XXXX	\$15,385	1
Aiden Hill	XXXX	\$15,385	1
Totals:		Box 4 \$30,770	Box 5 2

Attach additional tables if additional rows are needed.



FTE Calculation

For each employee, enter the average number of hours paid per week, divide by 40, and round the total to the nearest tenth. The maximum for each employee is capped at 1.0. A simplified method that assigns a 1.0 for employees who work 40 hours or more per week and 0.5 for employees who work fewer hours may be used at the election of the Borrower.

Salary/Hourly Wage Reduction

Complete the Salary/Hour Wage Reduction column only for employees whose salaries or hourly wages were reduced by more than 25% during the Covered Period or the Alternative Payroll Covered Period as compared to the period of January 1, 2020 through March 31, 2020. For each employee listed in Table 1 borrowers must complete these calculations to determine whether to reduce the amount of loan forgiveness for which they are eligible.

Steps for the Salary/Hourly Wage Reduction are located on page 4 of the instructions

Employees listed in table 2 are not eligible to reduce the loan forgiveness for salary/wage reduction

PPP Schedule A

PPP Schedule A Worksheet, Table 1 Totals

PPP Schedule A Worksheet, Table 2 Totals


Non-Cash Compensation Payroll Costs

Compensation to Owners

Total Payroll Costs

FTE Reduction Calculation

Safe Harbor 1 and 2

 Paycheck Protection Program Loan Forgiveness Application Revised June 16, 2020		OMB Control Number 3245-0407 Expiration Date: 10/31/2020
PPP Schedule A		
<u>PPP Schedule A Worksheet, Table 1 Totals</u>		
Line 1. Enter Cash Compensation (Box 1) from PPP Schedule A Worksheet, Table 1:		
Line 2. Enter Average FTE (Box 2) from PPP Schedule A Worksheet, Table 1:		
Line 3. Enter Salary/Hourly Wage Reduction (Box 3) from PPP Schedule A Worksheet, Table 1: If the average annual salary or hourly wage for each employee listed on the PPP Schedule A Worksheet, Table 1 during the Covered Period or the Alternative Payroll Covered Period was at least 75% of such employee's average annual salary or hourly wage between January 1, 2020 and March 31, 2020, check here <input type="checkbox"/> and enter 0 on line 3.		
<u>PPP Schedule A Worksheet, Table 2 Totals</u>		
Line 4. Enter Cash Compensation (Box 4) from PPP Schedule A Worksheet, Table 2:		
Line 5. Enter Average FTE (Box 5) from PPP Schedule A Worksheet, Table 2:		
<u>Non-Cash Compensation Payroll Costs During the Covered Period or the Alternative Payroll Covered Period</u>		
Line 6. Total amount paid or incurred by Borrower for employer contributions for employee health insurance:		
Line 7. Total amount paid or incurred by Borrower for employer contributions to employee retirement plans:		
Line 8. Total amount paid or incurred by Borrower for employer state and local taxes assessed on employee compensation:		
<u>Compensation to Owners</u>		
Line 9. Total amount paid to owner-employees/self-employed individual/general partners: This amount may not be included in PPP Schedule A Worksheet, Table 1 or 2. If there is more than one individual included, attach a separate table that lists the names of and payments to each.		
<u>Total Payroll Costs</u>		
Line 10. Payroll Costs (add lines 1, 4, 6, 7, 8, and 9):		
<u>Full-Time Equivalency (FTE) Reduction Calculation</u>		
If you satisfy any of the following three criteria, check the appropriate box, skip lines 11 and 12, and enter 1.0 on line 13; otherwise, complete lines 11, 12, and 13:		
No reduction in employees or average paid hours: If you have not reduced the number of employees or the average paid hours of your employees between January 1, 2020 and the end of the Covered Period, check here <input type="checkbox"/> .		
FTE Reduction Safe Harbor 1: If you were unable to operate between February 15, 2020, and the end of the Covered Period at the same level of business activity as before February 15, 2020 due to compliance with requirements established or guidance issued between March 1, 2020 and December 31, 2020, by the Secretary of Health and Human Services, the Director of the Centers for Disease Control and Prevention, or the Occupational Safety and Health Administration related to the maintenance of standards for sanitation, social distancing, or any other worker or customer safety requirement related to COVID-19, check here <input type="checkbox"/> .		
FTE Reduction Safe Harbor 2: If you satisfy FTE Reduction Safe Harbor 2 (see PPP Schedule A Worksheet), check here <input type="checkbox"/> .		
Line 11. Average FTE during the Borrower's chosen reference period:		
Line 12. Total Average FTE (add lines 2 and 5):		
Line 13. FTE Reduction Quotient (divide line 12 by line 11) or enter 1.0 if any of the above criteria are met:		
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Loan Forgiveness Application

PPP Loan Forgiveness Schedule A

Values for lines 1-5
come from PPP
Schedule A Worksheet

Lines 6-8 are for non-
cash compensation

Line 9 is for owner-
employee/self-employed
individual/general
partner compensation

 Paycheck Protection Program Loan Forgiveness Application Revised June 16, 2020		OMB Control Number 3245-0407 Expiration Date: 10/31/2020
PPP Schedule A		
<u>PPP Schedule A Worksheet, Table 1 Totals</u>		
Line 1. Enter Cash Compensation (Box 1) from PPP Schedule A Worksheet, Table 1:		\$32,780
Line 2. Enter Average FTE (Box 2) from PPP Schedule A Worksheet, Table 1:		3.8
Line 3. Enter Salary/Hourly Wage Reduction (Box 3) from PPP Schedule A Worksheet, Table 1: If the average annual salary or hourly wage for each employee listed on the PPP Schedule A Worksheet, Table 1 during the Covered Period or the Alternative Payroll Covered Period was at least 75% of such employee's average annual salary or hourly wage between January 1, 2020 and March 31, 2020, check here <input type="checkbox"/> and enter 0 on line 3.		\$1,302.69
<u>PPP Schedule A Worksheet, Table 2 Totals</u>		
Line 4. Enter Cash Compensation (Box 4) from PPP Schedule A Worksheet, Table 2:		\$30,770
Line 5. Enter Average FTE (Box 5) from PPP Schedule A Worksheet, Table 2:		2
<u>Non-Cash Compensation Payroll Costs During the Covered Period or the Alternative Payroll Covered Period</u>		
Line 6. Total amount paid or incurred by Borrower for employer contributions for employee health insurance:		\$2,500
Line 7. Total amount paid or incurred by Borrower for employer contributions to employee retirement plans:		\$2,500
Line 8. Total amount paid or incurred by Borrower for employer state and local taxes assessed on employee compensation:		\$2,500
<u>Compensation to Owners</u>		
Line 9. Total amount paid to owner-employees/self-employed individual/general partners: This amount may not be included in PPP Schedule A Worksheet, Table 1 or 2. If there is more than one individual included, attach a separate table that lists the names of and payments to each.		\$14,350
<u>Total Payroll Costs</u>		
Line 10. Payroll Costs (add lines 1, 4, 6, 7, 8, and 9):		\$85,400



Loan Forgiveness Application

PPP Schedule A - Line 9

The term “owner-employee” remains undefined

There are a few clarifications and inferences:

- C-corp owner employees – capped at 2019 cash compensation – employer retirement and health insurance contributions made on behalf of an owner-employee can be included as additional payroll costs
- S-corp – capped at 2019 cash (W2) compensation with employer retirement contributions included as an additional payroll cost
- Schedule C or F filers are capped at their 2019 net profit. No additional forgiveness for retirement or health insurance
- General partners are capped at 2019 net earnings from self-employment – no additional forgiveness for retirement or health insurance



Loan Forgiveness Application

PPP Schedule A

FTE Reduction Safe Harbor 1 and 2

Full-Time Equivalency (FTE) Reduction Calculation

If you satisfy **any** of the following three criteria, check the appropriate box, skip lines 11 and 12, and enter **1.0** on line 13; otherwise, complete lines 11, 12, and 13:

No reduction in employees or average paid hours: If you have not reduced the number of employees or the average paid hours of your employees between January 1, 2020 and the end of the Covered Period, check here ☐.

FTE Reduction Safe Harbor 1: If you were unable to operate between February 15, 2020, and the end of the Covered Period at the same level of business activity as before February 15, 2020 due to compliance with requirements established or guidance issued between March 1, 2020 and December 31, 2020, by the Secretary of Health and Human Services, the Director of the Centers for Disease Control and Prevention, or the Occupational Safety and Health Administration related to the maintenance of standards for sanitation, social distancing, or any other worker or customer safety requirement related to COVID-19, check here ☐.

FTE Reduction Safe Harbor 2: If you satisfy FTE Reduction Safe Harbor 2 (see PPP Schedule A Worksheet), check here ☐.

Line 11. Average FTE during the Borrower's chosen reference period:

Line 12. Total Average FTE (add lines 2 and 5):

Line 13. FTE Reduction Quotient (divide line 12 by line 11) or enter 1.0 if any of the above criteria are met:



Loan Forgiveness Application

Determine Eligibility for Safe Harbor 1

Borrowers are EXEMPTED from the loan forgiveness reduction stemming from an FTE reduction during the covered period if the borrower is able to document in good faith:

- “An inability to return to the same level of business activity as the borrower was operating at before February 15, 2020, due to compliance with requirements established or guidance issued between 3/1/2020 and 12/31/2020...”
- This exemption refers to direct and indirect compliance with COVID-19 related regulations.
- Document:
 - Copies of the applicable COVID requirements or guidance
 - Relevant borrower financial records



Loan Forgiveness Application

Determine Eligibility for Safe Harbor 2

If you qualify for Safe Harbor 2, you will be making a FTE comparison of the FTEs on the 2/15/2020 payroll to the FTEs on the payroll closest to date of forgiveness application submission or 12/31/2020 (whichever is earlier)

FTE Reduction Safe Harbors

Two separate safe harbors exempt certain borrowers from any loan forgiveness reduction based on a reduction in FTE employee levels:

1. The Borrower is exempt from the reduction in loan forgiveness based on a reduction in FTE employees described above if the Borrower, in good faith, is able to document that it was unable to operate between February 15, 2020, and the end of the Covered Period at the same level of business activity as before February 15, 2020, due to compliance with requirements established or guidance issued between March 1, 2020 and December 31, 2020, by the Secretary of Health and Human Services, the Director of the Centers for Disease Control and Prevention, or the Occupational Safety and Health Administration, related to the maintenance of standards for sanitation, social distancing, or any other worker or customer safety requirement related to COVID-19.
2. The Borrower is exempt from the reduction in loan forgiveness based on a reduction in FTE employees described above if both of the following conditions are met: (a) the Borrower reduced its FTE employee levels in the period beginning February 15, 2020, and ending April 26, 2020; and (b) the Borrower then restored its FTE employee levels by not later than December 31, 2020 to its FTE employee levels in the Borrower's pay period that included February 15, 2020.

FTE Reduction Safe Harbor 2:

- Step 1. Enter the borrower's total average FTE between February 15, 2020 and April 26, 2020. Follow the same method that was used to calculate Average FTE in the PPP Schedule A Worksheet Tables. Sum across all employees and enter: _____.
- Step 2. Enter the borrower's total FTE in the Borrower's pay period inclusive of February 15, 2020. Follow the same method that was used in step 1: _____.
- Step 3. If the entry for step 2 is greater than step 1, proceed to step 4. Otherwise, FTE Reduction Safe Harbor 2 is not applicable and the Borrower must complete line 13 of PPP Schedule A by dividing line 12 by line 11 of that schedule.
- Step 4. Enter the borrower's total FTE as of the earlier of December 31, 2020, and the date this application is submitted: _____.
- Step 5. If the entry for step 4 is greater than or equal to step 2, enter 1.0 on line 13 of PPP Schedule A; the FTE Reduction Safe Harbor 2 has been satisfied. Otherwise, FTE Reduction Safe Harbor 2 does not apply and the Borrower must complete line 13 of PPP Schedule A by dividing line 12 by line 11 of that schedule.



Loan Forgiveness Application

Finishing the PPP Loan Forgiveness Calculation Form (bottom half)

Forgiveness Amount Calculation:	
<u>Payroll and Nonpayroll Costs</u>	
Line 1. Payroll Costs (enter the amount from PPP Schedule A, line 10):	\$85,400
Line 2. Business Mortgage Interest Payments:	\$5,000
Line 3. Business Rent or Lease Payments:	\$5,000
Line 4. Business Utility Payments:	\$3,000
<u>Adjustments for Full-Time Equivalency (FTE) and Salary/Hourly Wage Reductions</u>	
Line 5. Total Salary/Hourly Wage Reduction (enter the amount from PPP Schedule A, line 3):	\$1,302.69
Line 6. Add the amounts on lines 1, 2, 3, and 4, then subtract the amount entered in line 5:	\$97,097
Line 7. FTE Reduction Quotient (enter the number from PPP Schedule A, line 13):	1
<u>Potential Forgiveness Amounts</u>	
Line 8. Modified Total (multiply line 6 by line 7):	\$97,097
Line 9. PPP Loan Amount:	\$150,000
Line 10. Payroll Cost 60% Requirement (divide line 1 by 0.60):	\$161,828
<u>Forgiveness Amount</u>	
Line 11. Forgiveness Amount (enter the smallest of lines 8, 9, and 10):	\$97,097



Loan Forgiveness Application

Payroll Documentation

Payroll: Documentation verifying the eligible cash compensation and non-cash benefit payments from the Covered Period or the Alternative Payroll Covered Period consisting of each of the following:

- a. Bank account statements or third-party payroll service provider reports documenting the amount of cash compensation paid to employees.
- b. 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:
 - i. Payroll tax filings reported, or that will be reported, to the IRS (typically, Form 941); and
 - ii. State quarterly business and individual employee wage reporting and unemployment insurance tax filings reported, or that will be reported, to the relevant state.
- c. 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 (PPP Schedule A, lines (6) and (7)).

FTE: Documentation showing (at the election of the Borrower):

- a. the average number of FTE employees on payroll per week employed by the Borrower between February 15, 2019 and June 30, 2019;
- b. the average number of FTE employees on payroll per week employed by the Borrower between January 1, 2020 and February 29, 2020; or
- c. in the case of a seasonal employer, the average number of FTE employees on payroll per week employed by the Borrower between February 15, 2019 and June 30, 2019; between January 1, 2020 and February 29, 2020; or any consecutive 12-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. Documents may include 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. Documents submitted may cover periods longer than the specific time period.



Can you apply for Forgiveness before the end of the covered period?

b. When must a borrower apply for loan forgiveness or start making payments on a loan?

A borrower may submit a loan forgiveness application any time on or before the maturity date of the loan – including before the end of the covered period – if the borrower has used all of the loan proceeds for which the borrower is requesting forgiveness. If the borrower applies for forgiveness before the end of the covered period and has reduced any employee's salaries or wages in excess of 25 percent, the borrower must account for the excess salary reduction for the full 8-week or 24-week covered period, as described in Part III.5. If the borrower does not apply

Worker's Comp Update

Businesses that have suspended operations due to COVID-19 but continue to pay employees who are at home but not working will not have to include the payroll paid to these employees in the calculation of their workers' compensation premium.

We are answering your questions live on the air right now.

Please submit questions through the **Q&A function**,
not the chat option at the bottom of your screen.



Questions?

Please email:

questions@dominionpayroll.com

For resources, updates, webinar schedule, and FAQ's, please visit our

[COVID-19 Updates & Resources page](#)



As requirements change and laws are passed, we will update you as soon as possible.

Don't forget to wash your hands!

