

PPP Loan Forgiveness

Lenders' Perspective





Hella

Special Guests

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PPP Loans: Quick Refresher

- The CARES Act established the Paycheck Protection Program for small businesses experiencing difficulties amid the coronavirus. Generally, the loans are forgivable if at least 60% of the proceeds go to payroll expenses.
- The Small Business Administration and Treasury Department recently released simplified forgiveness applications for firms that borrowed \$50,000 or less. [Form 3508S](#)
- Between April 3 and Aug. 8, more than 5 million PPP loans were approved, accounting for \$525 billion total in loans.



PPP Loans: What's Next?

- Lawmakers have spent the last few months fighting over the next round of Covid-19 relief, including the next steps for cash-strapped PPP borrowers.
- Some lenders are nudging applicants to submit their forgiveness application now, which might not be the best call for all businesses. Plenty of tax planning details remain up in the air for PPP loans.



PPP Loan Forgiveness

Questions from Our Team





What is the timeline for banks to have their forgiveness portal up and running?

Should borrowers go ahead and apply for forgiveness or are there advantages to waiting?

What snags have banks been hitting in getting their portals established?

Are banks seeing a flood of forgiveness applications?

Why isn't there a uniform forgiveness portal for banks to use?

How is the communication between lender banks and SBA these days?

Any chance of a second round of PPP funding in the coming months?



If an employee's hours are reduced to zero, would this person be considered to have a wage reduction? If the answer is no, how can you prove the wages have not been reduced?

What documentation is enough if an EE refuses to return to work and won't sign anything?

If an employee earns FFCRA wages for the entire loan period, how can the employer prove there has been no reduction in wages?

If a borrower applies for forgiveness for payrolls ending in Q3 but before their 24 weeks of the loan period is up, do they have to wait for Q4 tax forms if their 24 weeks goes over into Q4?

The borrower closed a store because the lease and franchise agreements had reached their end date – nothing to do with COVID and the employees were terminated. The location was required to close because those agreements reached their end, and there would be nowhere to offer an employee a position. Would these employees be considered FTE exceptions?

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.





2020 YEAR-END SEMINAR

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NOV. 19 9AM - 12PM EST

Questions?

Please email:

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

Don't forget to wash your hands!

