

PPP Forgiveness Step-by-Step: Loans \$50,000 or Less

Updated August 20, 2021

- Step 1: Log into Self-Help’s online portal.....2
- Step 2: Determine which SBA form to use3
- Step 3: Confirm auto-filled information (General Tab).....3
- Step 4: Enter general information (General Tab)4
- Step 5: Enter demographic data (Demographics Tab)6
- Step 6: Review your information (Generate Tab).....6
- Step 7: Upload application & supporting documents (Upload Documents Tab).....7
- Step 8: Submit your forgiveness application (Submit Tab)8
- Appendix A: Documentation Requirements – SBA Form 3508S (\$50,000 or less)9

Step 1: Log into Self-Help's online portal

To enter Self-Help's online forgiveness portal, find your email from **notifications@appmail.venturesgo.com**. This email contains your unique access link. Please check your spam folder if you do not receive this link on the same day that you receive your notification of Access to Apply for PPP Forgiveness from our PPP team.

- **Questions?** This Forgiveness Step-by-Step guide is intended to answer common questions about applying for PPP forgiveness. You can also find more detailed answers to Frequently Asked Questions in the Tools & Resources box on our [website](#). If you have difficulty logging into Self-Help's online forgiveness portal, or if you have questions as you use this Step-by-Step to enter your information, please email our PPP team at Postclosing-PPP@self-helpfcu.org. Once you have entered your information into our forgiveness portal and have submitted your application to Self-Help using this Step-by-Step, one of **our Forgiveness Loan Officers will review your loan and reach out to you via email**. At that point, direct your questions to your Forgiveness Loan Officer, who will work with you to help maximize forgiveness of your PPP loan.
- You **do not have to complete your forgiveness application in one sitting**, so even if you have questions, we recommend you use this Step-by-Step to go ahead and log in to get started.

To do: Click your unique access link from **notifications@appmail.venturesgo.com**. (For best results, we recommend using **Google Chrome**; some borrowers have reported issues when using other browsers.) Log in by entering the following information:

1. Enter your Loan #. This is the **SBA PPP Loan Number** at the top of the **PPP Note** you signed at your loan closing.
2. Enter either of the following:
 - a) The **Tax ID of Entity**. This is the **Employer Identification Number (EIN)** of the borrower, which can be found on your federal tax return.
 - b) The **last 4 digits of the Social Security Number (SSN) of one of the owners** of the borrower (if you are self-employed, you will enter the last 4 digits of your SSN). Note: If your ownership has changed since you received your PPP loan, please email our PPP team at Postclosing-PPP@self-helpfcu.org.
3. Click **Lookup Loan**.

In order to continue, please confirm details about your loan.

1 Loan #

Enter 1 of the options below

Last 4 digits of SSN

Any owner on the loan

2 OR

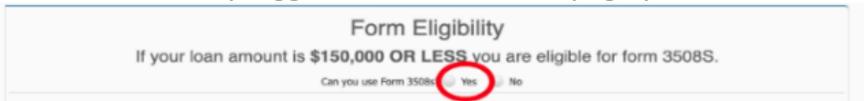
Tax ID of Entity

Tax ID of the Primary Operating Company

3

Step 2: Determine which SBA form to use

Once you have successfully logged in, this is the first page you will see:



Form Eligibility
If your loan amount is \$150,000 OR LESS you are eligible for form 3508S.
Can you use Form 3508S? Yes No

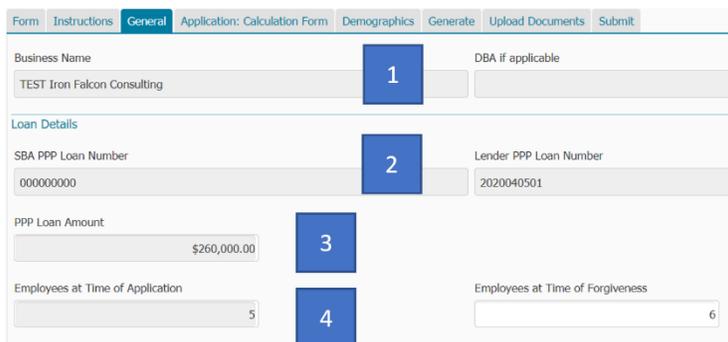
To do: Select “Yes” if your loan was \$150,000 or less. If your loan was over \$150,000, select “No.” Please see below to make sure you are using the correct Step-by-Step for your loan:

- If your loan is **\$50,000 or less**, follow this *Forgiveness Step-by-Step – Loans \$50,000 or Less* and use Form 3508S.
- If your loan is **greater than \$50,000 and less than \$150,000**, follow our *Forgiveness Step-by-Step – Loans \$50,001 to \$150,000* located in the Tools & Resources section of our [website](#) and use Form 3508S.
- If your loan is **greater than \$150,000**, follow our *Forgiveness Step-by-Step – Loans Over \$150,000* located in the Tools & Resources section of our [website](#) to determine whether you will use Form 3508EZ (most borrowers) or Form 3508.

Note: If you received both a 1st Draw and a 2nd Draw PPP loan, you will complete a forgiveness application for each loan separately. **Do not combine your 1st and 2nd PPP loan amounts when determining which form to use.**

Step 3: Confirm auto-filled information (General Tab)

To do: Confirm auto-filled information in the greyed-out boxes is correct:



Form Instructions **General** Application: Calculation Form Demographics Generate Upload Documents Submit

Business Name
TEST Iron Falcon Consulting 1 DBA if applicable

Loan Details

SBA PPP Loan Number
000000000 2 Lender PPP Loan Number
2020040501

PPP Loan Amount
\$260,000.00 3

Employees at Time of Application
5 4 Employees at Time of Forgiveness
6

1. Your business name.
2. Your SBA PPP Loan Number (this is located at the top of your **signed PPP Note**); you can ignore the Lender PPP Loan Number field.
3. Your loan amount (this is located at the top of your **signed PPP Note**).

4. Number of employees (including owners) at time of PPP loan application. This is from your original PPP loan application, based on your number of employees at that time, and does not impact your forgiveness request. Borrowers with loans of \$50,000 or less are exempt from employee maintenance requirements.

If anything needs to be changed, reach out to your Forgiveness Loan Officer (or if you have not yet been assigned a Forgiveness Loan Officer, please email our PPP team at Postclosing-PPP@self-helpfcu.org for assistance).

Step 4: Enter general information (General Tab)

To do: Enter the following information:

The screenshot shows the 'General Tab' of the PPP forgiveness application form. It contains several input fields and sections, each with a blue callout box containing a number from 1 to 6:

- 1:** Employees at Time of Forgiveness (input field with value 6)
- 2:** Forgiveness Amount (input field)
- 3:** Covered Period Start Date (calendar icon)
- 4:** Covered Period End Date (calendar icon)
- 5:** Loan Excess of \$2 Million? (checkbox)
- 6:** Payroll Costs (input field)

Additional text on the form includes: 'The Covered Period begins on the date the loan was originally disbursed. It ends on a date selected by the Borrower that is at least 8 weeks following the date of loan disbursement and not more than 24 weeks after the date of loan disbursement.' and 'Amount of loan spent on payroll costs'.

- 1. Employees at Time of Forgiveness:** this is the total number of employees (including owners) as of the date of your forgiveness request, and this answer should not be converted to full-time equivalents (*e.g.* if you have 10 full-time and 5 part-time employees, you will enter 15). This does not impact your forgiveness request. Borrowers with loans of \$50,000 or less are exempt from employee maintenance requirements.
- 2. Forgiveness Amount:** this is the amount of your PPP loan that you are requesting SBA forgive. In general, for loans of \$50,000 or less, you will enter the full amount of your PPP loan as your Forgiveness Amount, as long as the following statements are true:
 - Eligible Payroll Costs and Non-Payroll Costs for your Covered Period equal or exceed your loan amount, and
 - Eligible Payroll Costs for your Covered Period equal or exceed 60% of your loan amount.
 - **Self-employed individuals and small businesses with no employees (other than yourself):** In general, SBA deems your full PPP loan to have been used for Payroll Costs (your income as the owner of your business), so you meet this 60% threshold.
 - **All other PPP borrowers:** At least 60% of the Forgiveness Amount you request must be supported by Payroll Costs for your employees (including owner-employees).
- 3. Covered Period Start Date:** This is the date you received your PPP loan funds (the date the funds were wired to your bank account).
- 4. Covered Period End Date:** Your Covered Period End Date is any date from **8 weeks to 24 weeks** after your Covered Period Start Date. (For 2020 PPP loans, this date cannot be later than December 31, 2020, even if that is less than 24 weeks from your Covered Period State Date.) PPP funds that are not used for eligible purposes during your Covered Period must be repaid.
 - **Self-employed individuals and small businesses with no employees (other than yourself):** We recommend you enter a Covered Period End Date that is **11 weeks** from your Covered Period Start Date. The easiest way for you to apply for

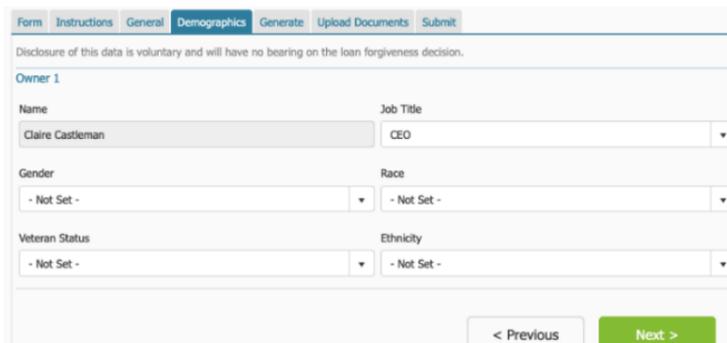
forgiveness is to use your entire PPP loan for your own Payroll Costs. Your loan was based on 2½ months owner compensation, and since SBA does not allow you to use your PPP loan to increase your owner compensation or to pay yourself at a faster rate, this takes 2½ months (almost 11 weeks).

- Exception: If your business has a NAICS code starting with 72 and you received your PPP loan in 2021, we recommend you enter a Covered Period End Date that is **16 weeks** from your Covered Period State Date. Your loan was based on 3½ months owner compensation, so in your case, using your entire PPP loan for your own Payroll Costs takes 3½ months (almost 16 weeks).
 - **All other PPP borrowers:** Within that 8 to 24 week range, we recommend you choose a Covered Period End Date that provides enough time for your eligible Payroll Costs to equal or exceed your loan amount. The easiest way for you to apply for forgiveness is to use your entire PPP loan for eligible Payroll Costs. If your Payroll Costs do not equal or exceed your loan amount, even when using a 24-week Covered Period, then up to 40% of your forgiveness request may consist of eligible Non-Payroll Costs. (Please see the **PPP Forgiveness FAQ** in the **Tools & Resources** section of our [website](#) for Payroll Costs and Non-Payroll Costs that may be included.)
5. **Excess of \$2 million:** Check this box if (i) you are requesting forgiveness for your first PPP loan, and you and your Affiliates collectively received first PPP loans totaling \$2 million or more, or (ii) you are requesting forgiveness for your 2nd Draw PPP loan, and you and your Affiliates collectively received 2nd Draw PPP loans totaling \$2 million or more.
- In general, SBA considers businesses to be Affiliates when one business has the power to control the other business, or when the same person has the power to control both businesses. To learn more about how SBA defines Affiliates, see SBA's Affiliation Guidance at [Affiliation Rules for Paycheck Protection Program \(sba.gov\)](https://www.sba.gov/affiliation-rules-for-paycheck-protection-program).
6. **Payroll Costs:** Enter the amount of your eligible Payroll Costs for your Covered Period.
- **This amount must be at least 60% of the Forgiveness Amount you are requesting.** If you did not have eligible Payroll Costs in the amount of at least 60% of your PPP loan amount, SBA will not forgive all of your PPP loan. There are no exceptions to this rule.
 - If you are a **self-employed individual or a small business with no employees** (other than yourself), if you are using an 11-week Covered Period, then in general you will enter your full loan amount (or, if your business has a NAICS code starting with 72 and you received your PPP loan in 2021, in general you will enter your full loan amount if you are using a 16-week Covered Period).

Step 5: Enter demographic data (Demographics Tab)

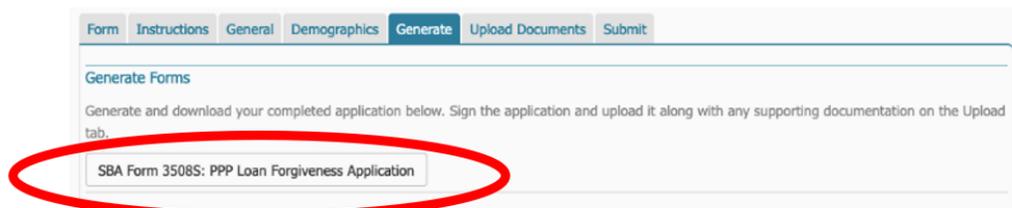
Completion of this tab allows Self-Help to learn more about the communities we serve. Self-Help does not discriminate in its employment or activities, and we actively partner with others to end discrimination on the basis of race, religion, religious creed, color, national origin, ancestry, physical disability, mental disability, medical condition, genetic information, marital status, sex, gender, gender identity, gender expression (including transgender status), age, sexual orientation, military and veteran status, class or family status. In addition, completing demographic data provides valuable information about who is able to access SBA programs, and can help to improve access to SBA programs in the future.

To do: Although demographic information is optional, we request you enter this information.

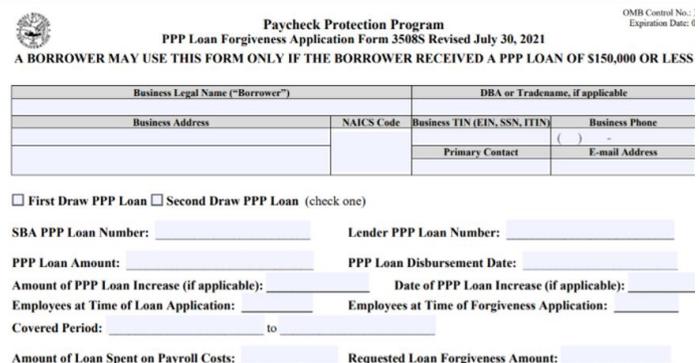


Step 6: Review your information (Generate Tab)

To do: Click on **SBA Form 3508S: PPP Loan Forgiveness Application** to generate a version of your application to review, print and sign.



To do: Read through your completed application and review all of the information entered to confirm it is correct.



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

First Draw PPP Loan Second Draw PPP Loan (check one)

SBA PPP Loan Number: _____ Lender PPP Loan Number: _____

PPP Loan Amount: _____ PPP Loan Disbursement Date: _____

Amount of PPP Loan Increase (if applicable): _____ Date of PPP Loan Increase (if applicable): _____

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

Covered Period: _____ to _____

Amount of Loan Spent on Payroll Costs: _____ Requested Loan Forgiveness Amount: _____

To do: Initial and sign the 3508S application form.

1. Review and certify the accuracy of each of the representations by **initialing both blanks**.
2. **Sign and date** the form and **print your name and title**. You can either print the document and **sign it in ink**, or you can save the application as a PDF and **sign it with your PDF software**.

By Signing Below, You Make the Following Representations and Certifications on Behalf of the Borrower:
The Authorized Representative of the Borrower certifies to all of the below by **initialing** next to each one.

The Borrower has complied with all requirements in the Paycheck Protection Program Rules (Sections 7(a)(37), and 7A of the Small Business Act, the PPP interim final rules, and guidance issued by SBA of this application), including the rules related to:

- eligible uses of PPP loan proceeds;
- the amount of PPP loan proceeds that must be used for payroll costs (including proprietor expenses);
- Borrowers that applied for loans using SBA Forms 2483-C or 2483-SD-C);
- the calculation and documentation of the Borrower's revenue reduction (if applicable); and
- the calculation of the Borrower's Requested Loan Forgiveness Amount.

Information regarding these requirements may be found in the Form 3508S Instructions and the Paycheck Protection Program Rules.

The information provided in this application is true and correct in all material respects. I understand that a false statement to obtain forgiveness of an SBA-guaranteed loan is punishable under the law, including 18 U.S.C. 1014 by imprisonment of not more than five years and/or a fine of up to \$250,000; under 18 U.S.C. 1014 by imprisonment of not more than two years and/or a fine of not more than \$5,000; and, if submitted to a court of law, under 18 U.S.C. 1014 by imprisonment of not more than three years and/or a fine of not more than \$5,000.

Following submission of this forgiveness application, the Borrower must retain all records necessary to prove compliance with the Paycheck Protection Program Rules for four years for employment records and for three years for all other records. Borrower's failure to provide information requested by SBA may result in a determination that the Borrower was not eligible for a PPP loan or in a denial of the Borrower's loan forgiveness application.

The Borrower's eligibility for loan forgiveness will be evaluated in accordance with the Paycheck Protection Program Rules. The Borrower may direct a lender to disapprove the Borrower's loan forgiveness application if SBA determines that the Borrower is not eligible for a PPP loan.

1

Signature of Authorized Representative of Borrower _____ Date _____

Print Name _____ Title _____

Step 7: Upload application & supporting documents (Upload Documents Tab)

To do: Upload and attach your completed 3508S application form and any required supporting documentation.

1. Click "Select File" and upload your **signed & initialed 3508S application form**. (Please upload all pages, even if they are blank.)
2. For loans of \$50,000 or less, in general, **no supporting documentation should be uploaded, except:**

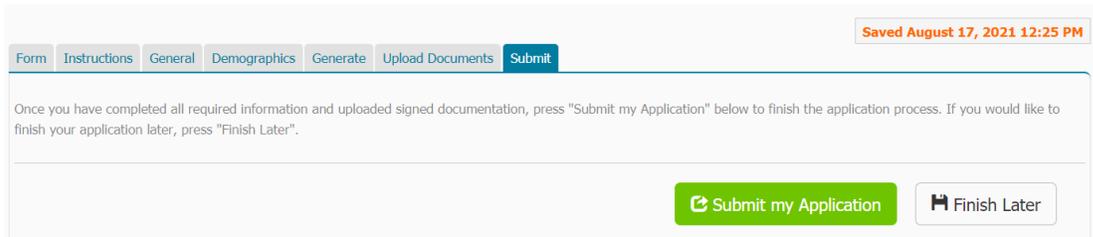
- **Schedule C filers:** Upload a copy of your filed IRS 1040 Schedule C for the year that was used to calculate your loan amount (for most borrowers, 2019)
- **Schedule F filers:** Upload a copy of your filed IRS 1040 Schedule F & Schedule 1 for the year that was used to calculate your loan amount (for most borrowers, 2019)
- **Partnerships (IRS 1065 filers):** Upload a copy of your filed Schedule K-1(s) for the year that was used to calculate your loan amount (for most borrowers, 2019)

When you submit your forgiveness request to us, your Forgiveness Loan Officer will review your file and will let you know if we need any additional documentation to support your forgiveness request. Although **most borrowers will not need to submit additional supporting documentation** with your forgiveness request, please see **Appendix A** for a list of

documents you should keep. **SBA requires you to keep documentation related to your PPP loan and forgiveness request for up to 4 years.** SBA has the right to review your loan at any time either before, during, or after forgiveness, and you will be required to submit these records to SBA upon request.

Step 8: Submit your forgiveness application (Submit Tab)

To do: Once you have uploaded your application and are ready to submit it to Self-Help for review, click **Submit my Application**. If you are not ready to submit your application to us, you can click **Finish Later** to save it and return to finish it later (you will have to use the unique access link that was emailed to you to access your application when you are ready to continue).



The screenshot shows a web application interface with a navigation bar at the top containing tabs: Form, Instructions, General, Demographics, Generate, Upload Documents, and Submit. The 'Submit' tab is active. In the top right corner, there is a status indicator that says 'Saved August 17, 2021 12:25 PM'. Below the navigation bar, there is a text instruction: 'Once you have completed all required information and uploaded signed documentation, press "Submit my Application" below to finish the application process. If you would like to finish your application later, press "Finish Later".' At the bottom right of the main content area, there are two buttons: a green button labeled 'Submit my Application' and a white button labeled 'Finish Later'.

Once you hit Submit my Application:

1. Your Self-Help Forgiveness Loan Officer will review your forgiveness application and will contact you to obtain any additional required documents before we submit it to SBA.
2. We will notify you when we have submitted your forgiveness application to SBA.
3. SBA may take up to 90 days to process your forgiveness request or notify us that it is under review. SBA may choose to review a PPP loan for any reason prior to, during, or after the forgiveness process.
4. Once SBA has reviewed and fully processed your forgiveness request, and remitted the forgiveness amount to us, Self-Help's PPP team will notify you. If SBA forgives less than your full PPP loan amount, we will provide you with an amortization schedule and monthly payment amount for your repayment of the unforgiven balance of your loan. Any unforgiven amount must be repaid under the terms of your PPP Note.

Appendix A: Documentation Requirements – SBA Form 3508S (\$50,000 or less)

When you submit your forgiveness request to us, your Forgiveness Loan Officer will review your file and provide you with a list of the documentation you are required to submit to support your request.

Whether or not you are required to submit documentation with your request, SBA requires you to **keep all employment records/payroll documentation** relating to your PPP loan and forgiveness request **for four years** after your forgiveness application has been submitted, and to **keep all other documentation** relating to your PPP loan and forgiveness request **for three years** after your forgiveness application has been submitted. SBA has the right to review your loan at any time either before, during, or after forgiveness, and you will be required to submit these records to SBA upon request. **Review our PPP FAQ in the Tools & Resources section of our [website](#) for additional information.**

PAYROLL COSTS DOCUMENTATION:

Payroll Costs Documentation for Owners: Self-employed borrowers (Schedule C filers, Schedule F filers and partnerships) are **required to submit** the owner Payroll Costs documentation listed below at forgiveness. In general, for loans of \$50,000 or less, other borrowers do not have to submit owner Payroll Costs documentation with your forgiveness request, but you should **keep documentation** covering (i) the period used to determine your loan amount (typically calendar year 2019), and (ii) your Covered Period.

Tax Filing	Owner Payroll Costs Documentation
IRS 1040 Schedule C	Copy of <u>filed</u> IRS 1040 Schedule C for the year that was used to calculate your loan amount (typically 2019)
IRS 1040 Schedule F	Copy of <u>filed</u> IRS 1040 Schedule F <u>and</u> Schedule 1 for the year that was used to calculate your loan amount (typically 2019)
IRS 1065	Copy of <u>filed</u> IRS 1065 Schedule K-1(s), for the year that was used to calculate your loan amount (typically 2019)
1120-S	Document owner compensation using the same guidelines as for employees <ul style="list-style-type: none"> • Note: employer contributions to owner health plans may <u>not</u> be included • Note: employer contributions to owner retirement plans may be included up to 2.5/12 of the 2019 employer retirement contribution
1120	Document owner compensation using the same guidelines as for employees <ul style="list-style-type: none"> • Note: employer contributions for owner health insurance may be included • Note: employer contributions for owner retirement plans may be included up to 2.5/12 of the 2019 contribution
990/990EZ	N/A

Payroll Costs Documentation for Employees: For loans of \$50,000 or less, you **generally do not have to submit** employee Payroll Costs documentation with your forgiveness request, but you should **keep the following documentation** covering (i) the period used to determine your loan amount (typically calendar year 2019), and (ii) your Covered Period.

- Cash compensation for employees:
 - All of the following:
 - Copies of your IRS Form 941s reported (or to be reported) to the IRS;
 - Copies of your State quarterly employee wage reporting & unemployment insurance filings reported (or to be reported) to the State; and
 - Bank account statements or a third-party payroll provider report showing the amount of cash compensation paid to employees.

Note: A report from a recognized third-party payroll service provider (e.g., ADP, Gusto, Paychex, etc.) that is clearly identified as prepared by the provider and includes all of the information above (including employee list with identification numbers), the report may be acceptable alternative documentation of employee compensation.
- Benefits: If your forgiveness request includes employer contributions to employee group health, life, disability, vision or dental insurance, or employer contributions to employee retirement plans, a third-party payroll provider report, payment receipts, cancelled checks, or account statements showing the amount paid.

NON-PAYROLL COSTS DOCUMENTATION: For loans of \$50,000 or less, you **generally do not have to submit** Non-Payroll Costs documentation. If your forgiveness request includes Non-Payroll Costs, however, you should **keep the following documentation:**

- Business mortgage (secured debt) interest payments:
 - Documentation verifying existence of the obligations/services prior to February 15, 2020 and eligible payments from the Covered Period, such as:
 - Copy of lender amortization schedule and receipts or cancelled checks; or
 - Copies of lender account statements for February 2020 and the months payments were made.
- Business rent or lease payments:
 - Documentation verifying existence of the obligations/services prior to February 15, 2020 and eligible payments from the Covered Period, such as:
 - Copy of current lease agreement, combined with receipts or cancelled checks; or
 - Copies of lessor account statements for February 2020 and the months payments were made.
- Business utility payments:
 - Documentation verifying existence of the obligations/services prior to February 15, 2020 and eligible payments from the Covered Period, such as:
 - Copy of invoices for February 2020 and the months payments were made, combined with copies of receipts, cancelled checks or account statements.
- Covered operations expenditures:
 - Copy of invoices, orders, or purchase orders paid during the Covered Period; and
 - Receipts, cancelled checks, or account statements verifying those eligible payments.
- Covered property damage costs:
 - Copy of invoices, orders, or purchase orders paid during the Covered Period; and
 - Receipts, cancelled checks, or account statements verifying those eligible payments; and

- Documentation that the costs were related to property damage and vandalism or looting due to public disturbances that occurred during 2020; and
- Documentation that such costs were not covered by insurance or other compensation.
- Covered supplier costs:
 - Copy of contracts, orders, or purchase orders in effect at any time before the Covered Period (or, if for perishable goods, at any time during the Covered Period); and
 - Receipts, cancelled checks, or account statements verifying those eligible payments.
- Covered worker protection expenditures:
 - Copy of invoices, orders, or purchase orders paid during the Covered Period; and
 - Receipts, cancelled checks, or account statements verifying those eligible payments; and
 - Documentation that you used the expenditures to comply with applicable COVID-19 guidance during the Covered Period.

REVENUE REDUCTION DOCUMENTATION (2nd Draw PPP loans only):

- If you are applying for forgiveness of a 1st Draw PPP loan, you **do not need to show a revenue reduction**. This was not a requirement for 1st Draw PPP loans.
- If you are applying for forgiveness of a 2nd Draw PPP loan, you **generally do not need to submit** documentation of your 25% or more reduction in gross receipts. Your Forgiveness Loan Officer will contact you if any documentation is needed. You should **keep at least one of the following**, however, as documentation of your revenue reduction:
 - Annual IRS income tax filings for 2019 and 2020 (required if your calculation was based on an annual reduction);
 - Audited quarterly financial statements for the quarters being compared, identifying the line items that constitute gross receipts;
 - Unaudited quarterly financial statements, identifying the line items that constitute gross receipts (sign and date that statements and initial each page); or
 - Quarterly or monthly bank statements showing deposits for the quarters being compared, identifying which deposits constitute gross receipts.

OTHER DOCUMENTATION: For loans of \$50,000 or less, you generally do not have to submit other documentation. **Self-Help may require other documentation if needed to support your request, and SBA may require additional documentation as part of its review of any PPP loan.** Whether or not other documentation is required to be submitted, you should **keep all records relating to your PPP loan, including:**

- All documentation submitted with your PPP loan application,
- All documentation supporting your certifications as to eligibility for a PPP loan,
- All documentation supporting your forgiveness application, and
- All documentation supporting your material compliance with PPP requirements.