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CERTIFIED PUBLIC ACCOUNTANTS

## [Paycheck Protection Program Loan Forgiveness Application](#)

For our clients that have an SBA loan under the Paycheck Protection Program (PPP), the SBA just released the application for forgiveness. To view, please follow the link: [Paycheck Protection Program Loan Forgiveness Application](#)

There has been much rumor and many questions surrounding how the loan forgiveness is computed. This application gives some clarification to this issue.

A few notes to assist with the completion of the application:

1. Be accurate. The application asks for several identification factors such as the PPP loan number, lender number, loan amount, date of disbursement, and EIDL advance amount and number. Make sure this is taken off your original documentation. Make sure all business names, addresses, and TINs match the original application.
2. Be sure to include all eligible payroll costs. The payroll costs must be incurred and paid within the 8-week covered period. If costs are incurred but not paid, they must be paid on or before the next regular payroll date.
3. Schedule A helps guide what is an eligible payroll cost. Note it includes employer contributions to health insurance, employer contributions to retirement plans. It *does not* include compensation in excess of \$100,000 per employee, employer and employees share of FICA, income taxes required to be withheld from employees, or qualified sick or family leave wages paid for which a credit is allowed under the Family First Act.
4. Other business costs that can be used to forgive the loan include mortgage interest payments, rent, and lease payments and utilities. These costs are limited to 25% of the loan forgiveness.
5. There is explicit documentation to be attached and retained for 6 years.
6. This application must be submitted to the lender that is servicing your loan.

*More information regarding the SBA loans can be found here: [www.sba.gov](http://www.sba.gov)*

We hope to provide clarity during this difficult time. As always, if you have any questions or concerns, please do not hesitate to reach out to us.

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