

PPP Forgiveness Step-by-Step: 3508S

Updated December 3, 2020

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Which form should I use?

1. If your loan is **\$50,000 or less**, you should use **Form 3508S** and follow our PPP Forgiveness Step-by-Step for Form 3508S. (Note, however, if you and your affiliates collectively received PPP loans totaling \$2 million or more, you may not use Form 3508S.)
2. If your loan is **greater than \$50,000** and **EITHER (a) OR (b)** below is true, you should use **Form 3508EZ** and follow our PPP Forgiveness Step-by-Step for Form 3508EZ:
 - a. The Borrower did not reduce annual salary or hourly wages of any employee by more than 25% during the Covered Period (or Alternative Payroll Covered Period, if applicable) as compared to the period between January 1, 2020 and March 31, 2020 (excluding owner-employees and employees with annualized salary/wages of more than \$100,000 in any pay period in 2019); **AND** did not reduce the number of employees or the average paid hours of employees between January 1, 2020 and the end of the Covered Period. (Ignore reductions that arose from an inability to rehire individuals who were employees on February 15, 2020 if the Borrower was unable to hire similarly qualified employees for unfilled positions on or before December 31, 2020. Also ignore reductions in an employee's hours that the Borrower offered to restore and the employee refused.)
 - b. The Borrower did not reduce annual salary or hourly wages of any employee by more than 25% during the Covered Period (or Alternative Payroll Covered Period, if applicable) as compared to the period between January 1, 2020 and March 31, 2020 (excluding owner-employees and employees with annualized salary/wages of more than \$100,000 in any pay period in 2019); **AND** was unable to operate during 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, the Occupational Safety and Health Administration or your State or local government, related to the maintenance of standards of sanitation, social distancing, or any other work or customer safety requirement related to COVID-19.
3. If neither #1 nor #2 apply to you, you must use the full **Form 3508**. We do not currently have a PPP Forgiveness Step-by-Step for Form 3508; **reach out to your assigned Loan Officer for guidance**.

Step one: Gather documentation before beginning your application

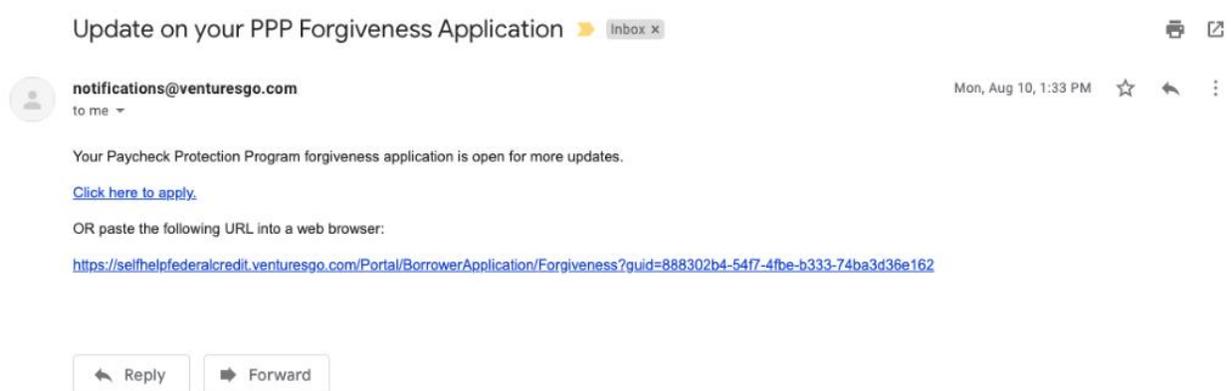
Please refer to our latest guidance on required documentation to find which documents to submit along with your Forgiveness application. You can find our latest guidance on our [PPP website](#). It is also included as Appendix A in this guide.

Step two: Logging into the online portal

Receive your unique link

You will receive an email from **notifications@venturesgo.com** with a link to access your PPP Forgiveness Application. To protect your information, this link is unique to your PPP loan.

To do: Click on the unique access link to go to your online forgiveness application.



IMPORTANT NOTE: You will need to use this link every time you log into your forgiveness portal, so make sure you save this email, or bookmark the online portal. You will be able to save your application without submitting it, and do not have to complete the entire application in one sitting. You can find the option to save (“Finish Later”) on the last tab of the online portal.

Log into online portal

A screenshot of a web form for logging into the online portal. The form title is "In order to continue, please confirm details about your loan." It has two main input sections. The first section is labeled "Loan # *" and has a blue box with the number "1" next to the input field. Below this is the instruction "Enter 1 of the options below". The second section is labeled "Last 4 digits of SSN" and has an input field. Below that is "Any owner on the loan" with an input field. The third section is labeled "OR" and has a blue box with the number "2" next to the input field. Below this is "Tax ID of Entity" with an input field and a small icon. Below that is "Tax ID of the Primary Operating Company" with an input field. At the bottom left is a green button labeled "Lookup Loan".

To do: To access your forgiveness application, you will need to enter your SBA PPP loan number, and either the business Tax ID or the last 4 digits of the social security number (SSN) of one of the owners on file.

1. Your loan number is the “SBA PPP Loan Number” at the top of your **signed PPP loan note**.

2. Enter either your business **Tax ID** or the last 4 digits of the owner’s **SSN**. Your business Tax ID is either your Employer Identification Number (EIN) or, for sole proprietors or single-member limited liability companies, may be your SSN.

Note: If you have difficulty accessing your application in our online portal, please contact us at Postclosing-PPP@self-helpfcu.org. Once you have accessed your forgiveness application and have begun entering information, a **Forgiveness Loan Officer will be assigned to your loan and will reach out to you via email**. At that point, you should direct any questions to your Loan Officer instead of the post-closing mailbox; your Loan Officer will work with you to help you maximize forgiveness on your loan.

Form tab – 3508S selection

The screenshot shows the 'Form Eligibility' page. At the top, it says 'Complete Your Paycheck Protection Program Forgiveness Application Using Form 3508S'. Below this is a navigation bar with tabs: 'Form', 'Instructions', 'General', 'Demographics', 'Generate', 'Upload Documents', and 'Submit'. The 'Form' tab is selected. The main content area has the heading 'Form Eligibility' and the text: 'If your loan amount is **\$50,000 OR LESS** you are eligible for form 3508S. A Borrower that, together with its affiliates, received PPP loans totaling \$2 million or greater cannot use this form.' At the bottom of the content area is a green button labeled 'Use 3508S'.

When you log in, this is the first page you will see.

To do: Select “Use 3508S” – Borrowers with loans of \$50K or less will all use this form (unless you have affiliates and collectively received \$2 million or more in PPP loans). After you have made your selection, click next.

Instructions tab

The screenshot shows the 'Instructions' page. At the top, it says 'Complete Your Paycheck Protection Program Forgiveness Application Using Form 3508S'. Below this is a navigation bar with tabs: 'Form', 'Instructions', 'General', 'Demographics', 'Generate', 'Upload Documents', and 'Submit'. The 'Instructions' tab is selected. The main content area has a list of five numbered instructions: 1. Confirm the details of your loan on the **General** tab. 2. Enter optional data on the **Demographics** tab. 3. Generate and download a completed application from the **Generate** tab. 4. Sign the application and upload it along with any supporting documentation on the **Upload Documents** tab. 5. Indicate your application is complete on the **Submit** tab. At the bottom of the content area are two buttons: '< Previous' and 'Next >', with the 'Next >' button highlighted in green.

The Instructions tab outlines the process of completing your form online. You will complete each tab shown above prior to submitting your forgiveness application.

Click next to go to the General tab.

Step three: General tab

Note: When you access your forgiveness application and begin entering information, a **Forgiveness Loan Officer will be assigned to your loan and will reach out to you via email.** You should direct any questions to your Loan Officer; they will work with you to help you maximize forgiveness on your loan.

Confirm auto-populated information

The screenshot shows the 'General' tab of a forgiveness application form. The form is divided into sections: 'Business Name' and 'DBA if applicable' at the top; 'Loan Details' below that; and 'EIDL Advance Amount' and 'Forgiveness Amount' at the bottom. The 'Business Name' field contains 'TEST Iron Falcon Consulting' and is highlighted with a blue box labeled '1'. The 'SBA PPP Loan Number' field contains '000000000' and the 'Lender PPP Loan Number' field contains '2020040501', both highlighted with a blue box labeled '2'. The 'PPP Loan Amount' field contains '\$35,000.00' and is highlighted with a blue box labeled '3'. The 'Employees at Time of Application' field contains '5' and is highlighted with a blue box labeled '4'. The 'Employees at Time of Forgiveness' field contains '6' and is highlighted with a blue box labeled '6'. The 'EIDL Advance Amount' field contains '\$5,000.00'. The 'DBA if applicable' and 'Forgiveness Amount' fields are greyed out. The form has tabs for 'Form', 'Instructions', 'General', 'Demographics', 'Generate', 'Upload Documents', and 'Submit'.

Information in the greyed-out boxes should appear automatically, including:

1. Your business name
2. Your SBA PPP Loan Number (this is located at the top of your signed PPP loan note) and your Lender PPP Loan Number (you do not need to confirm the lender PPP loan number)
3. Your loan amount (this is located at the top of your signed PPP loan note)
4. Number of employees at time of PPP loan application (Note: This is from your original PPP loan application, based on your number of employees at that time, and does not impact your forgiveness request)

To do: Confirm these entries are correct. If anything needs to be changed, reach out to your Loan Officer.

Enter general information

SBA PPP Loan Number	Lender PPP Loan Number
<input type="text" value="00000000"/>	<input type="text" value="2020040501"/>
PPP Loan Amount	
<input type="text" value="\$35,000.00"/>	
Employees at Time of Application	Employees at Time of Forgiveness
<input type="text" value="5"/>	<input type="text" value="6"/>
EIDL Advance Amount	EIDL Application #
<input type="text" value="\$5,000.00"/>	<input type="text"/>
Forgiveness Amount	
<input type="text"/>	
<input type="button" value=" < Previous"/> <input type="button" value=" Next >"/>	

To do: Enter the following information:

- Employees at Time of Forgiveness:** this is the total number of employees 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).
- EIDL Advance Amount:** if you received an SBA Economic Injury Disaster Loan (EIDL) advance, you will enter the amount of the advance here; if you did not, leave this blank.
 - Note:** This is separate from any EIDL loan you may have received from SBA (not all EIDL borrowers received an EIDL advance).
- EIDL Application #:** if you applied for an SBA EIDL loan, enter your application number; if you did not, leave this blank.
- Forgiveness Amount:** this is the amount of PPP loan funds you were able to use for eligible Payroll Costs and Nonpayroll Costs. In most cases, this will be the dollar amount of your PPP loan.

Payroll Cost Eligibility

Eligible payroll costs may be included if **paid** during the Covered Period (or Alternative Payroll Covered Period (APCP), if applicable) or **incurred** during the Covered Period/APCP and paid on or before the next regularly scheduled pay date. Eligible payroll costs must make up at least 60% of the total forgiveness amount (and may make up the entire forgiveness amount). **Please see our [Forgiveness FAQ](#) for more detail on eligible payroll costs.**

Nonpayroll Cost Eligibility

Eligible nonpayroll costs may be included if **paid** during the Covered Period or **incurred** during the Covered Period and paid on or before the next regular billing date, even if the billing date is after the Covered Period. Eligible nonpayroll costs cannot exceed 40% of the total forgiveness amount. **Please see our [Forgiveness FAQ](#) for more detail on eligible nonpayroll costs.**

IMPORTANT NOTE: If you received an SBA **EIDL advance**, under current SBA guidance it will be deducted from your final forgiveness amount. SBA will make this deduction when it processes your forgiveness request. Say, for example:

- Your PPP loan was for \$35,000
- You received an EIDL advance of \$5,000
- You will enter your full \$35,000 as your Forgiveness Amount, BUT
- When SBA processes your forgiveness request, SBA will confirm your EIDL advance and will reduce your forgiveness amount by your EIDL advance amount. If SBA concurs with your forgiveness request, THEN:
- **\$30,000 of your loan will be forgiven, and you will have a remaining loan of \$5,000 (the amount of your EIDL advance).**

IMPORTANT NOTE: You will have an outstanding loan with Self-Help if any of the following apply:

- Your forgiveness amount is less than your total PPP loan amount
- SBA does not approve your full forgiveness amount
- You have received an EIDL advance

Once SBA has processed your forgiveness, if you have any unforgiven amount, you will receive an amortization schedule and monthly payment amount from Self-Help for your repayment of the unforgiven balance of your loan.

Step four: 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.

Form Instructions General **Demographics** Generate Upload Documents Submit

Disclosure of this data is voluntary and will have no bearing on the loan forgiveness decision.

Owner 1

Name: Claire Castleman Job Title: CEO

Gender: - Not Set - Race: - Not Set -

Veteran Status: - Not Set - Ethnicity: - Not Set -

< Previous Next >

To do: Enter demographic information.

Although demographic information is optional, we request you complete this information.

Step five: Generate tab

Form Instructions General Demographics **Generate** Upload Documents Submit

Generate Forms

Generate and download your completed application below. Sign the application and upload it along with any supporting documentation on the Upload tab.

SBA Form 3508S: PPP Loan Forgiveness Application

To do: Click on **SBA Form 3508S: PPP Loan Forgiveness Application** to generate a version of your application to print and sign. You can either print the document, **sign it in ink**, or you can save the application as a PDF and **sign it with your PDF software**.

Check your information

Paycheck Protection Program
PPP Loan Forgiveness Application Form 3508S

OMB Control No. 3245-0407
 Expiration date: 10/31/2020

A BORROWER MAY USE THIS FORM ONLY IF THE BORROWER RECEIVED A PPP LOAN OF \$50,000 OR LESS. A Borrower that, together with its affiliates, received PPP loans totaling \$2 million or greater cannot use this 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: _____

Forgiveness Amount: _____

To do: Check all of the information entered to ensure it is correct.

Sign and Initial

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.

1

The dollar amount for which forgiveness is requested does not exceed the principal amount of the PPP loan and:

- was used to pay costs that are eligible for forgiveness (payroll costs to retain employees; business mortgage interest payments; business rent or lease payments; or business utility payments);
- includes payroll costs equal to at least 60% of the forgiveness amount;
- if a 24-week Covered Period applies, does not exceed 2.5 months' worth of 2019 compensation for any owner-employee or self-employed individual/general partner, capped at \$20,833 per individual; and
- if the Borrower has elected an 8-week Covered Period, does not exceed 8 weeks' worth of 2019 compensation for any owner-employee or self-employed individual/general partner, capped at \$15,385 per individual.

I understand that if the funds were knowingly used for unauthorized purposes, the federal government may pursue recovery of loan amounts and/or civil or criminal fraud charges.

The Borrower has accurately verified the payments for the eligible payroll and nonpayroll costs for which the Borrower is requesting forgiveness, and has accurately calculated the forgiveness amount requested.

I have submitted to the Lender the required documentation verifying payroll costs, the existence of obligations and service (as applicable) prior to February 15, 2020, and eligible business mortgage interest payments, business rent or lease payments, and business utility payments.

The information provided in this application and the information provided in all supporting documents and forms is true and correct in all material respects. I understand that knowingly making a false statement to obtain forgiveness of an SBA-guaranteed loan is punishable under the law, including 18 USC 1001 and 3571 by imprisonment of not more than five years and/or a fine of up to \$250,000; under 15 USC 645 by imprisonment of not more than two years and/or a fine of not more than \$5,000; and, if submitted to a Federally insured institution, under 18 USC 1014 by imprisonment of not more than thirty years and/or a fine of not more than \$1,000,000.

The tax documents I have submitted to the Lender are consistent with those the Borrower has submitted/will submit to the IRS and/or state tax or workforce agency. I also understand, acknowledge, and agree that the Lender can share the tax information with SBA's authorized representatives, including authorized representatives of the SBA Office of Inspector General, for the purpose of ensuring compliance with PPP requirements and all SBA reviews.

I understand, acknowledge, and agree that SBA may request additional information for the purposes of evaluating the Borrower's eligibility for the PPP loan and for loan forgiveness, and that the Borrower's failure to provide information requested by SBA may result in a determination that the Borrower was ineligible for the PPP loan or a denial of the Borrower's loan forgiveness application.

2

The Borrower's eligibility for loan forgiveness will be evaluated in accordance with the PPP regulations and guidance issued by SBA through the date of this application. SBA may direct a lender to disapprove the Borrower's loan forgiveness application if SBA determines that the Borrower was ineligible for the PPP loan.

Signature of Authorized Representative of Borrower _____ Date _____

Print Name _____ Title _____

SBA Form 3508S (10/20)

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

1. Review and certify the accuracy of each of the 7 representations by initialing in the blanks provided.
2. Sign and date the form and print your name and title.

Step six: Upload Documents tab

Form Instructions General Demographics Generate Upload Documents Submit

Upload Signed PPP Forgiveness Application (Form 3508)

Name ↑	Description	Size KB
0_Short_Name_B..._Checklist.xlsx	0_Short_Name_Borrower_QC_Checklist.xlsx	38

Select File 1

Upload Supporting Documents

Given the values you have entered, you may need to provide documentation for:

- Cash Compensation (lines 1 & 4)
- Payments to Owners and General Partners (line 9)
- Payroll Costs

Name ↑	Description	Size KB
No records found.		

Select Files 2

< Previous Next >

To do: Upload and attach your **signed application** and **supporting documents**.

1. Click “Select File” and select your signed 3508S application form.
 - a. If you have printed a hard copy to sign, you will need an electronic copy to upload. You can scan your printed copy, or use a PDF converter app like Office Lens (or similar) to make a PDF from a picture.
2. Upload any supporting documents SBA requires for your application. Review Step One for documentation **you must submit** with your application.

Note: SBA requires you to **keep all records** relating to your PPP loan and forgiveness request for **six years** after your loan is forgiven or repaid in full. SBA has the right to review your loan at any time during that period, and you will be required to submit these records to SBA upon request. While you will not upload and submit this information with your forgiveness request, you must maintain all of the documentation related to your PPP loan and forgiveness request. Review Step One for documentation **you must keep** (but will not submit with your application).

Step seven: Submit tab

Form Instructions General Demographics Generate Upload Documents **Submit**

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".

[Submit my Application](#) [Finish Later](#)

Once you have uploaded your application and all your supporting documentation, move to the **Submit** tab. You can either submit or save and finish later.

If you hit Finish Later, you will have to use your unique access link that was emailed to you to access your application when you are ready to continue.

How long until you must submit your application?

- You must submit your forgiveness application within **ten months** from the end of your Covered Period, or you must begin making payments on your PPP loan
- Your 8-week or 24-week Covered Period/APCP cannot extend past **December 31, 2020**

What happens once you hit submit:

1. Self-Help will review your forgiveness application and contact you with any questions before submitting to SBA.
2. We will notify you when we have submitted your forgiveness application to SBA.
3. **SBA has up to 90 days to process your forgiveness request or notify us that it is under review.** We will notify you when SBA remits the forgiveness amount to us, and we will let you know if that amount is less than what we submitted.
4. Only when SBA has notified us of the status of your application will we know if your loan is 100% forgiven, or if you have an outstanding loan with Self-Help.

Note: SBA may choose to review a PPP loan for any reason prior to or during the forgiveness process. If SBA notifies us that your loan is under review prior to forgiveness, we must wait until SBA notifies us in writing that the review is complete before we submit your forgiveness application.

If you have any questions about your application during or after submission, please contact your Loan Officer.

Appendix A: Documentation Required to be Submitted with SBA Form 3508S Forgiveness Application

Please note that in addition to the documentation described below that must be submitted with your forgiveness application, SBA requires you to keep all documentation related to your PPP loan and forgiveness request for 6 years from the date your loan is forgiven or repaid in full. For additional details on eligible costs, please review our [Forgiveness FAQ](#).

PAYROLL COSTS DOCUMENTATION:

Employee cash compensation: You must submit documents that meet all requirements for either Option 1 or Option 2.

OPTION 1: Third-party payroll service provider report that:

- ✓ shows the amount of cash compensation paid; and
- ✓ provides equivalent information as on your IRS Form 941s reported (or to be reported) to the IRS; and
- ✓ provides equivalent information as on your State quarterly business & individual employee wage reporting & unemployment insurance tax filings reported (or to be reported) to the State; and
- ✓ clearly shows the report is from a recognized third-party payroll service provider (e.g., ADP, Gusto, Paychex, etc.).

TIP: Check with your payroll provider to see if they provide a report meeting these requirements.

OR

OPTION 2: If you do not work with a recognized third-party payroll service provider, or if your third-party payroll report does not meet ALL of the requirements in Option 1:

- ✓ Third-party payroll service provider report or bank account statements that show the amount of cash compensation paid; and
- ✓ IRS Form 941s reported (or to be reported) to the IRS; and
- ✓ State quarterly business & individual employee wage reporting & unemployment insurance tax filings reported (or to be reported) to the State.

Employee benefits:

Employer contributions to employee health & retirement plans that are included in the forgiveness request must be shown on a third-party payroll report that meets the requirements in Option 1 above or must be documented by payment receipts, cancelled checks, or account statements showing the amount paid.

Owner-employees:

Locate your tax filing form below for a list of documents you must submit to support owner-employee payroll costs included in your forgiveness request.

Tax Filing	Owner-Employee Payroll Costs Documentation
IRS 1040 Schedule C	• Copy of filed 2019 IRS 1040 Schedule C
IRS 1040 Schedule F	• Copy of filed 2019 IRS 1040 Schedule F
IRS 1065	• Copy of filed 2019 IRS 1065 Schedule K-1
1120S	• Document owner-employee compensation using the same guidelines as for non-owner employees • Employer contributions to owner-employee health plans may <u>not</u> be included • Employer contributions to owner-employee retirement plans may be included up to 2.5/12 of the 2019 employer retirement contribution
1120	• Document owner-employee compensation using the same guidelines as for non-owner employees • Employer contributions for owner-employee health insurance may be included • Employer contributions for owner-employee retirement plans may be included up to 2.5/12 of the 2019 contribution
990	N/A

NONPAYROLL COSTS DOCUMENTATION:

- If your eligible payroll costs are equal to or exceed your forgiveness request, you do not need to submit documentation of nonpayroll costs.
- If you include nonpayroll costs in your forgiveness request, you must submit the documentation listed below:
 - Business mortgage (secured debt) interest payments:
 - 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:
 - 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:
 - Copy of invoices for February 2020 and the months payments were made, combined with copies of receipts, cancelled checks or account statements.

OTHER DOCUMENTATION:

- PPP Borrower Demographic Information Form: this form is optional but provides valuable information about who is able to access SBA programs, and can help to improve access to SBA programs in the future.
- Self-Help may request other documentation if needed to support your request.
- SBA may require additional documentation as part of its review of any PPP loan.