



SBA Releases Simplified PPP Forgiveness Application

Dear Valued Client,

On October 8, the U.S. Treasury together with the SBA released a simplified loan forgiveness application, [Form 3508S](#), and its [instructions](#), under the Paycheck Protection Program (PPP). Employers who received PPP loans of \$50,000 or less are eligible to use this simplified form, which requires fewer calculations and less documentation. A borrower that together with its affiliates received PPP loans totaling \$2 million or greater cannot use this form.

The SBA's [Interim Final Rules](#) on the simplified forgiveness process state that employers eligible to file Form 3508S are exempt from any loan reductions related to reductions in full-time equivalent (FTE) employees or reductions in employees' salaries or wages. However, the 60% payroll rule and the cap on owner-employee payroll costs still applies. In addition, Form 3508S does not require borrowers to show the calculations used to determine their loan forgiveness amount. The form simply requires employers to enter their total "Forgiveness Amount," which is made up of eligible payroll costs and non-payroll costs. The SBA may request further documentation to review the calculation as part of its loan review process.

To determine eligible payroll costs to include on Form 3508S, you can run Viventium's [PPP – Payroll Cost Report](#) in the Reports & BI section of Viventium.

Please join veteran compliance expert Yonina F. Shinewweather, CPA, for our webinar [Simplifying Forgiveness: The New Form 3508S](#) on Thursday, October 22, from 1:00 to 1:30 PM EDT, for a hands-on look at the new, simplified forgiveness form, and learn the answers to the following questions . . . plus much more.

The SBA's long-awaited announcement of a simplified application for forgiveness raises new questions:

- Does your company qualify for the simplified process?
- What is the difference between the 3508EZ and the 3508S, and which should you use?
- Which forgiveness reductions are waived for 3508S filers?
- How many limitations still apply to 3508S filers, and why does the form not display line items for them?
- Which Viventium report do you need to complete Form 3508S?

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Your Viventium Team