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PPP Loan Forgiveness Application Released

Client & Friends -

Late on Friday, the SBA and Treasury released the Paycheck Protection Program (PPP) Loan Forgiveness Application along with detailed instructions for application and submission.

The form and instructions show borrowers how to apply for forgiveness of their PPP loans. It is our understanding that SBA will also soon issue regulations and guidance to further assist borrowers as they complete their applications, and provide lenders with guidance on their responsibilities.

[Click here](#) for the loan forgiveness application and instructions.

The form and instructions include several measures to reduce compliance burdens and simplify the process for borrowers, including:

- Options for borrowers to calculate payroll costs using an "alternative payroll covered period" that aligns with borrowers' regular payroll cycles
- Flexibility to include eligible payroll and non-payroll expenses paid or incurred during the eight-week period after receiving their PPP loan
- Step-by-step instructions on how to perform the calculations required by the CARES Act to confirm eligibility for loan forgiveness
- Borrower-friendly implementation of statutory exemptions from loan forgiveness reduction based on rehiring by June 30
- Addition of a new exemption from the loan forgiveness reduction for borrowers who have made a good-faith written offer to rehire workers that was declined

The documents will help businesses seek forgiveness at the conclusion of the eight week covered period, which began with the disbursement of their loans.

We will be happy to assist you with questions about loan forgiveness applications. For additional resources related to COVID-19, visit the [COVID-19 section](#) of our website.

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