



Recommended Supporting Documents

The information contained in this page is based on laws, rules, regulations, and related guidance with respect to the Paycheck Protection Program (PPP), including guidance issued by the [U.S. Small Business Administration \(SBA\) on August 11, 2020](#). We will periodically update this information, so please check back often and consider bookmarking this page. In the event of any discrepancies between the information on this site and the SBA's site, please follow official SBA guidance.

Payroll

Eligible Cost	Recommended Supporting Documents
<p>Cash compensation</p> <p><i>[see following notes on payroll documents]</i></p>	<ul style="list-style-type: none"> ▪ Third-party payroll service provider reports documenting the amount of cash compensation paid to employees and taxes reported, if included. Please provide tax information detailed below, if not included in third-party payroll service provider reports. Or ▪ Bank account statements and payroll tax forms (e.g. form 941) and state quarterly wage reporting and unemployment insurance tax filings reported, or that will be reported, to the relevant state. <p>Note: If providing self-prepared payroll report or schedule, please provide a consolidated payroll register with summary figures from all paycheck dates in the covered period. Reports must include company totals and clearly list employer-paid state and local taxes.</p>
<p>Employer contributions for employee health insurance and employee retirement plans</p>	<p>Account statements, payment receipts or cancelled checks documenting the amount of any employer contributions to employee health insurance and retirement plans included in the forgiveness amount, unless details are included in the third-party payroll service report (if applicable).</p>
<p>Average full-time equivalency (FTE) for Form 3508</p> <p><i>[see following note on FTE]</i></p>	<p>FTE report showing average number of FTE employees per week during one of these periods:</p> <ul style="list-style-type: none"> ▪ February 15, 2019 to June 30, 2019; or ▪ January 1, 2020 to February 29, 2020; or ▪ For a seasonal employer, one of the periods above or any consecutive 12-week period May 1, 2019 to September 15, 2019 <p>Documents may include payroll reports, or payroll tax forms (e.g. form 941) and state quarterly wage reporting and unemployment insurance tax filings reported, or that will be reported, to the relevant state.</p>
<p>Average full-time equivalency (FTE) for Form 3508EZ</p>	<p>If using Form 3508EZ and you meet the conditions related to reduction of salaries, number of employees and hours, you will need to document the average number of FTE employees on payroll employed on January 1, 2020 and at the end of the covered period.</p>

Non-Payroll

Eligible Cost	Recommended Supporting Documents
<p>Business Mortgage Interest Payments, and Business Debt Interest Payments</p>	<ul style="list-style-type: none"> ▪ Lender account statements, from February 2020 and the months of the covered period through one month after the end of the covered period, verifying interest amounts and eligible payments. Or ▪ Copy of lender amortization schedule and receipts, or cancelled checks verifying eligible payments from the covered period.
<p>Business Rent or Lease Payments</p>	<ul style="list-style-type: none"> ▪ Lessor account statements, from February 2020 and from the covered period through one month after the end of the covered period, verifying eligible payments. Or ▪ Copy of current lease agreement and receipts or cancelled checks verifying eligible payments from the covered period.

Eligible Cost	Recommended Supporting Documents
Business Utility Payments	<ul style="list-style-type: none"> ▪ Account statements or a summary page as long as it contains account owner and address, date of service and amount paid. Or ▪ Invoices from February 2020 and invoices paid during the covered period and receipts and cancelled checks.

Documents submitted should include all periods overlapping the 24-week covered period (or 8-weeks if selected).

While the bank may have some of these documents on file, the SBA requires you, as the borrower, to supply the documents to validate your expenses.

Notes on payroll documents:

Payroll Reports should include all periods overlapping the 24-week covered period (or 8-weeks if selected), and show figures for each of the following eligible costs:

- Cash compensation;
- Employer contributions for employee health insurance;
- Employer contributions to employee retirement plans; and
- Employer state and local taxes assessed on employee compensation.

It is preferred if the report shows separate cash compensation figures for:

- Employees who received compensation at an annualized rate <=\$100,000 for all pay periods in 2019; and
- Employees who received compensation at an annualized rate >\$100,000 for all pay periods in 2019.
[For Form 3508EZ, there is no need to separate employees by 2019 compensation level.]

If you have completed the PPP Schedule A Worksheet, we suggest you provide it when you submit your application. It can be found on [Page 4 of Form 3508](#).

This detail helps us validate the line item figures shown on the forgiveness application forms.

Cash compensation:

- Eligible [cash compensation](#) includes: gross salary, gross wages, gross tips, gross commissions, paid leave (vacation, family, medical or sick leave), and allowances for dismissal or separation. This may include bonus, hazard pay, and salaries to furloughed employees.
- Do not include compensation in excess of an annual salary of \$100,000 annualized, as prorated for the covered period. Therefore, the payroll schedule should show no employee with more than \$46,154 in compensation if selecting the 24-week period (or \$15,385 for the 8-week period, if eligible and selected).
- Do not include payments to independent contractors, or compensation to employees whose principal place of residence is outside the US; or qualified sick and family leave wages for which a credit is allowed under sections 7001 and 7003 of the Families First Coronavirus Response Act.

Compensation to owners:

- Owner-employees, self-employed individuals and partners are eligible for loan forgiveness on the basis of their 2019 compensation. The maximum amount of loan forgiveness you can claim as compensation per individual owner or partner is \$20,833 (which is 2.5 months equivalent of \$100,000 per year). Note that if you select the 8 week covered period, the maximum claim is set at \$15,385 (or 8 weeks equivalent of \$100,000).
- Self-employed Schedule C (or Schedule F) filers. If you did not submit 2019 IRS Form 1040 Schedule C (or F) when you initially applied for the PPP loan, include it with your forgiveness application.
- General Partners. If you are a partnership and did not submit 2019 IRS Form 1065 K-1s when you initially applied for the PPP loan, include it with the partnership's forgiveness application.

Note on full-time equivalency (FTE):

FTE counts both full-time (FT) and part-time (PT) employees. An FT employee is counted as 1.0 FTE, and a PT employee is counted by average number of hours per week divided by 40. For example, a PT employee working 32 hours would count as 0.8 FTE. The SBA also offers a simplified method that assigns all PT employees as 0.5, if that is preferable.

Additional information on PPP loan forgiveness:

More information on SBA PPP loan forgiveness can be found on the [SBA](#) site. Instructions for PPP Loan Forgiveness Application Form 3508 and Form 3508EZ, including details on required documents, can be found on the following pages:

PPP Loan Forgiveness Application Form 3508

- [SBA PPP Loan Forgiveness Application](#)
- [PPP Loan Forgiveness Application Form 3508 instructions](#)

PPP Loan Forgiveness Application Form 3508EZ

- [SBA PPP EZ Loan Forgiveness Application](#)
- [PPP Loan Forgiveness Application Form 3508EZ instructions](#)