



NEW PPP Forgiveness Application for Loans \$50K or Less and other PPP Loan Updates

A COVID-19 Update from Questco – October 15th, 2020

On **October 8, 2020**, the Small Business Administration (SBA) in consultation with the Treasury Department released a **simpler** loan forgiveness application for Paycheck Protection Program (PPP) loans of **\$50,000 or less**. In that same Interim Final Rule, the SBA and Treasury have also eased the burden on PPP lenders, allowing lenders to process forgiveness applications more swiftly.

The alternative Loan Forgiveness Application, SBA Form 3508S, requires fewer calculations and less documentation for eligible borrowers. A borrower that uses SBA Form 3508S is **exempt** from any reductions in the borrower's loan forgiveness amount based on reductions in full-time equivalent (FTE) employees or reductions in employee salary or wages. This means that amount of loan proceeds eligible for forgiveness will be solely based on the amount of qualifying payroll costs and non-payroll costs paid (and/or incurred in the case of payroll costs) during the loan covered period.

Please note that the use of Form 3508S is **not** allowed for borrowers that together with their affiliates received loans totaling \$2 million or greater.

[Ready to Apply for Loan Forgiveness](#)

When you are ready to apply for loan forgiveness, please notify Questco and we will generate the appropriate reports that provide you the necessary information for completing your PPP Loan Forgiveness Application. Please note that you should **not** utilize the CARES PPP tracking report previously sent to you throughout your covered period; this report is for tracking purposes only and is not intended to be referenced when completing the actual PPP Loan Forgiveness Application nor should this report be submitted to your lender.

Please be prepared to provide the following information when requesting final PPP loan reports:

- Loan Amount
- Loan Origination Date
- 8-Week or 24-Week Covered Period; if extended covered period requested, please provide loan end date
- Names of Non-Resident Aliens with US Addresses, if applicable
- Names of Owner-Employees, if applicable
- If there are owner-employees, confirm organization type (C-Corp, S-Corp, LLC)

To assist our clients in populating the PPP loan forgiveness application, in particular the Schedule A Worksheet and Schedule A of the application, **Questco has prepared a comprehensive instruction aid**.

We have developed instructions for all three versions of the PPP loan forgiveness application: Forms 3508, 3508EZ and 3508S. These instructions indicate where the information requested on the application can be obtained from the Questco reports provided. Links to the instructions are included on page 2.

Information provided herein is intended for informational purposes only and does not constitute legal advice or opinion, nor is it a substitute for the professional judgment of an attorney or accountant.



If you have received a PPP Loan and are ready to file the forgiveness application and would like your final PPP Payroll Cost and PPP FTE reports, please contact your **Client Success Manager** for assistance.

Links to helpful tools and instructions to assist with the completion of the PPP Loan Forgiveness Application:

[Questco PPP Loan Forgiveness Application Instructions Form 3508](#)

[Questco PPP Loan Forgiveness Application Instructions Form 3508EZ](#)

[Questco PPP Loan Forgiveness Application Instructions Form 3508S](#)

Links to SBA PPP Loan Instructions and Standard Forms:

[Paycheck Protection Program PPP Loan Forgiveness Application Form 3508](#)

[Paycheck Protection Program PPP Loan Forgiveness Application Form 3508 Instructions](#)

[Paycheck Protection Program PPP Loan Forgiveness Application Form 3508EZ](#)

[Paycheck Protection Program PPP Loan Forgiveness Application Form 3508EZ Instructions](#)

[Paycheck Protection Program PPP Loan Forgiveness Application Form 3508S](#)

[Paycheck Protection Program PPP Loan Forgiveness Application Form 3508S Instructions](#)

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