

# Paycheck Protection Program (PPP) Loan Forgiveness Process.



For more COVID-19 Business Resources, visit:  
[www.solutions.sdppayroll.com/coronavirus](http://www.solutions.sdppayroll.com/coronavirus)

## Loan Forgiveness Steps

Wondering how the PPP Loan Forgiveness process works? Here's a simple workflow to help you understand the process as a PPP Loan borrower.



### STEP 1

#### DOCUMENT your eligible payroll and non-payroll costs

For payroll, use the 24-week Covered Period or Alternative Period. If you were funded before June 5, 2020, you can elect to use either an 8-week or 24-week Covered Period or Alternative Period:

- **Covered Period:** starts the day loan funds were deposited into your account.
- **Alternative Period:** starts the first day of the first pay period following deposit of your loan funds.



Some **eligible payroll costs** include:

- Employee Compensation
- Payment for Leave
- Cash Tips
- Employee Benefits

For non-payroll, use the 24- or 8-week **Covered Period**.



Some **eligible non-payroll costs**:

- Interest payments on mortgages
- Rent payments on leases
- Utility payments

See the PPP Loan Forgiveness Application Form [3508EZ](#) or [3508](#) for a complete list of documents.



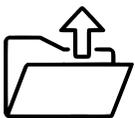
### STEP 2

#### PREPARE your forgiveness application

You'll need to use either Form [3508EZ](#) or [3508](#). You can determine if you may use the simpler form with the [SBA's Checklist for Using SBA Form 3508EZ](#). If using the full [3508](#) form, complete the PPP Schedule A Worksheet with the [PPP Loan Forgiveness Estimator module](#) in your SDP Connect portal before beginning your forgiveness application. You'll need information from this Schedule A Worksheet to complete your application for forgiveness.

Check with your lender to confirm **when** you can request loan forgiveness.

You can **export supporting documents** and reports for your application when you use the [PPP Loan Forgiveness module](#) in SDP Connect.



### STEP 3

#### APPLY with your lender

Submit the documents that support how you spent your loan funds (eligible payroll and non-payroll costs) in the Covered Period or Alternative Period and complete the Forgiveness application from your lender.

Examples of **acceptable documentation** for payroll non-payroll costs:

- Payroll tax filings reported to the IRS.
- State income, payroll, and unemployment insurance filings.
- Financial statements verifying payment on rent/utility and debt.



### STEP 4

#### TRACK

#### your status

Reach out to your lender to confirm how they will notify you of changes to your application status or if they have any questions.

Visit [SBA.gov](http://SBA.gov) and [Treasury.gov](http://Treasury.gov) for the latest information regarding PPP Loan Forgiveness.