



SBA PPP Loan Forgiveness Checklist

Complete and provide the following documents to AgChoice Farm Credit to apply for forgiveness of your SBA Paycheck Protection Program (PPP) loan.

Preliminary Information

Is your loan \$150,000 or less to qualify for the [SBA Form 3508S](#) application? YES NO
 (If you answered 'yes,' you do not need to submit any additional documentation.
 Complete the SBA Form 3508S and submit to your AgChoice loan officer.)

Do you qualify to complete the [SBA Form 3508EZ](#) application? YES NO
 (See the Instruction on page 5 of SBA Form 3508EZ for eligibility determination)

Ask your tax advisor when you should apply for your forgiveness. _____
 (You have 10 months from the end of your Covered Period) (date)

Documentation Required for PPP Loan Forgiveness Applications (EZ and Regular)

PPP Loan Forgiveness Application: Application must be fully completed, printed and signed.

- [SBA Form 3508](#) or [SBA Form 3508EZ](#)

If you used the [AgChoice PPP Loan Forgiveness Calculator](#), please also provide that file for reference.

Supplemental Application Materials

- Completed SBA PPP Loan Forgiveness Checklist (this document)
- 2019 tax returns (if not previously provided)

Payroll Expenses: Documentation verifying the eligible cash compensation and non-cash benefit payments from the Covered Period or the Alternative Payroll Covered Period consisting of each of the following:

- For borrowers who do not use a third-party payroll service provider,** provide the following for the periods that overlap with the Covered Period (or the Alternative Payroll Covered Period):
 - Bank account statements documenting the payroll runs and payroll tax payments
 - Payroll tax filings reported, or that will be reported, to the IRS (typically, Form 941 or Form 943)
 - State quarterly business and individual employee wage reporting and unemployment tax filings reported, or that will be reported, to the relevant state

- For borrowers who do use a third-party payroll service provider**, provide the following for the periods that overlap with the Covered Period or the Alternative Payroll Covered Period:
 - Payroll-provider reports for the 24-week Covered Period (or Alternative Payroll Covered Period) documenting the amount of cash compensation paid to employees. *Reports should clearly identify that they were compiled by a third-party. If not clearly identified, a cover letter from the third-party provider is required along with the report.*

- If included in your forgiveness amount, provide payment receipts, canceled checks or account statements documenting the amount of any employer contributions to employee health, dental, disability, vision and group life insurance and retirement plans.

Non-Payroll Expenses: If you qualify for 100% forgiveness on payroll expenses, you do not need to document any non-payroll expenses. Contact your AgChoice loan officer for additional detail if needed.

FTE Documentation Needed to Submit with the Regular 3508 PPP Loan Forgiveness Applications

- Full Time Equivalents (FTE): Gather documentation needed to evaluate FTEs employed during the following time periods:
 - A. The average number of FTE employees on payroll per month employed by the Borrower between February 15, 2019 and June 30, 2019;
 - B. The average number of FTE employees on payroll per month employed by the Borrower between January 1, 2020 and February 29, 2020; or
 - C. In the case of a seasonal employer, the average number of FTE employees on payroll per month employed by the Seasonal Employer/Borrower for the same period used to compute their PPP loan amount.

Borrowers may elect to compute only one time period; however evaluating A and B will allow selection of the time period that will maximize loan forgiveness. Seasonal employers can evaluate A, B and C above. The AgChoice PPP Loan Forgiveness Calculator can be used to help you evaluate which time period provides maximum forgiveness.

You only need to provide FTE documentation for one time period to AgChoice. The documented period must be the same time period (reference period) selected for purposes of completing PPP Schedule A, line 11 (Page 3 of [SBA Form 3508](#)). The AgChoice PPP Loan Forgiveness Calculator Supplemental Tables fulfill the FTE documentation requirements.

FTE Documentation Needed to Submit with the 3508EZ PPP Loan Forgiveness Application:

- If you checked only the second box on the checklist on page 5 of the 3508EZ instructions, submit the average number of full-time equivalent employees on payroll employed by the Borrower on January 1, 2020 and at the end of the Covered Period.

Document Retention

SBA provides detailed guidance on the documents that borrowers should maintain but not submit with their PPP application. See the last page of [SBA Form 3508](#) for these instructions.