



## PPP Loan Forgiveness Questionnaire

First, let's see if you qualify for the SBA Form 3508S application:

Is your PPP loan \$50,000 or less?  
AND

Did you, together with your affiliates (if applicable), receive PPP loans totaling less than \$2 million?

Under SBA rules, entities may be considered affiliates based on factors including stock ownership, overlapping management, and identity of interest. Qualified faith-based organizations are exempt from the SBA's affiliation rules. See the SBA's [Affiliation Rules for Paycheck Protection Program](#) for more details.

If you checked both boxes, you're eligible to apply through the **3508S application**. This is the most straightforward application aimed at streamlining the forgiveness process for loans under \$50,000.

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If you don't qualify to use Form 3508S, let's see if you can apply for forgiveness using SBA Form 3508EZ:

### OPTION #1

You are a self-employed individual, independent contractor, or sole proprietor who had no employees at the time of the PPP loan application and did not include any employee salaries in the computation of average monthly payroll in the Borrower Application Form (SBA Form 2483).

### OPTION #2

You did not reduce the number of employees or the average paid hours of employees between January 1, 2020 and the end of the Covered Period. (Ignore reductions that arose from an inability to rehire individuals who were employees on February 15, 2020 if the Borrower was unable to hire similarly qualified employees for unfilled positions on or before December 31, 2020. Also ignore reductions in an employee's hours that the Borrower offered to restore, and the employee refused. See 85 FR 33004, 33007 (June 1, 2020) for more details.

AND

You did not reduce annual salary or hourly wages of any employee by more than 25 percent during the [Covered Period](#) or the [Alternative Payroll Covered Period](#) (as defined below) compared to the period between January 1, 2020 and March 31, 2020 (for purposes of this statement, "employees" means only those employees that did not receive, during any single period during 2019, wages or salary at an annualized rate of pay in an amount more than \$100,000).

OPTION #3

- You did not reduce annual salary or hourly wages of any employee by more than 25 percent during the [Covered Period](#) or the [Alternative Payroll Covered Period](#) (as defined below) compared to the period between January 1, 2020 and March 31, 2020 (for purposes of this statement, “employees” means only those employees that did not receive, during any single period during 2019, wages or salary at an annualized rate of pay in an amount more than \$100,000).

AND

- You were unable to operate during the Covered Period at the same level of business activity as before February 15, 2020, due to compliance with requirements established or guidance issued between March 1, 2020 and December 31, 2020 by the Secretary of Health and Human Services, the Director of the Centers for Disease Control and Prevention, or the Occupational Safety and Health Administration, related to the maintenance of standards of sanitation, social distancing, or any other work or customer safety requirement related to COVID-19. This also includes state and local government shutdown orders that are based in part on guidance from these three federal agencies.

If you checked all the boxes in at least one of the three options, you’re eligible to apply using the **3508EZ application**. It has significantly fewer calculations than Form 3508 and it may take less time to apply.

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If you can’t select any of the options above, then check this box:

- I cannot check any of the boxes above and will use the **SBA Form 3508** Payroll Protection Program Loan Forgiveness Application which includes the PPP Loan Forgiveness Calculation Form and Schedule A. Please note that completing the Schedule A Worksheet before beginning is crucial to your success.

SouthTrust Bank cannot provide financial, legal, or tax advice, including interpretation of the SBA’s rules or guidance for loan forgiveness, or how they may apply to the circumstances of your business. Please seek financial, legal, or tax advice from your financial, legal, and/or tax professional(s). Please note the information above is taken directly from the SBA and/or the SBA Paycheck Protection Program Loan Forgiveness Application and is posted here solely for your convenience. It is not intended to be, and should not be considered, comprehensive or definitive. Please be sure to consult the SBA and/or the U.S. Treasury PPP websites for information related to loan forgiveness and the PPP program. Guidance and rules directly from the SBA and/or the U.S. Treasury will supersede and control over any information provided herein or in any information posted to the STB website, to the extent of any conflict.

## **Covered Period:**

The Covered Period is either

- The 24-week (168 day) period beginning on your PPP Loan Disbursement Date, OR
- If you received your PPP loan before June 5, 2020, you may elect to use an eight-week (56 day) Covered Period
- In no event may the Covered Period extend beyond December 31, 2020

For example, if you received your PPP loan proceeds on Wednesday, April 22, your first day of the Covered Period is April 22<sup>nd</sup>. The last day of the Covered Period is Tuesday, October 6.

## **Alternative Payroll Covered Period:**

If your payroll schedule is biweekly (or more frequent), you may elect to calculate eligible payroll costs using an alternative method

- For loans received before June 5, 2020 you may elect to use either the 24-week (168 day) period or the eight-week (56-day) period that begins on the first day of your first pay period following your PPP Loan Distribution Date
- If you received your PPP loan on or after June 5, 2020, you may elect to use the 24-week (168 day) period

For example, let's assume you received your PPP loan proceeds on Wednesday, April 22 and the first day of your pay period following your PPP loan disbursement is Monday, April 27, then for administrative convenience, you may elect to use a 24-week Alternative Payroll Covered Period. The first day of the Alternative Payroll Covered Period is Monday, April 27 and the last day of the Alternative Payroll Covered Period is Sunday, October 9.