



Checklist for PPP Loan Forgiveness Documentation

I. Employers

Payroll Costs: **Minimum 60%**

A. Payroll tax reports (24-week covered period)

- 1) 2020 IRS Forms 941 tax returns
- 2) Unemployment tax returns
- 3) Payroll reports, by employee, for each pay period during covered period

NOTE: Include the 24-week covered period. If your organization contracts with a payroll provider or Professional Employer Organization (PEO) you can supply other documents, such as reports reflecting employment tax returns filed. Consider preparing reconciliations of the quarterly report data to the 24-week covered period data.

B. Group health care benefits (24-week covered period)

- 1) Documentation showing total costs paid for all health care benefits, including insurance premiums paid by the organization under a group health plan.
 - a. Include all employees and company owners.
 - b. Do not include employee contributions to the plan.
 - c. Consider preparing a reconciliation of the employee + employer contributions to tie the payroll data to the invoice and associated proof of payment.

C. Retirement plan benefits (24-week covered period)

- 1) Documentation showing the sum of all retirement plan funding costs paid by the organization.
 - a. Include funding for all employees and the company owners.
 - b. Do not include employee contributions to the plan.
 - c. Consider preparing a reconciliation of the employee + employer contributions to tie the payroll data to the invoice and associated proof of payment.

Other Eligible Expenses: **40% or less**

A. Documentation:

- 1) Invoices, canceled checks, receipts, account statements, or other documentation establishing proof of payment for amounts incurred and paid during the covered period for:
 - Rent paid on lease in force before February 15, 2020
 - Utility payments for electricity, gas, water, transportation, telephone, or internet access for service beginning before February 15, 2020
 - Interest on mortgage obligations on real and tangible property incurred before February 15, 2020

II. For Sole Proprietors, Independent Contractors and Self- Employed Individuals

- 1) 2019 Form 1040 Schedule C
- 2) If you have employees, provide payroll documentation as outlined above, including documentation of healthcare and retirement benefits costs excluding owner from healthcare and retirement costs.
- 3) Invoices, canceled checks, receipts, account statements, or other documentation establishing proof of payment for other eligible costs incurred and paid during the covered period such as:
 - Rent paid on lease in force before February 15, 2020
 - Utility payments for electricity, gas, water, transportation, telephone, or internet access for service beginning before February 15, 2020
 - Interest on mortgage obligations on real and tangible property incurred before February 15, 2020

NOTE: For #3, similar types of expenses must have been deducted on the 2019 Form 1040 Schedule C to be eligible for forgiveness.