

SBA PAYROLL PROTECTION PROGRAM - LOAN FORGIVENESS APPLICATION revision 8/27/2020
INSTRUCTIONS

COLOR KEY	
YELLOW	Requires manual data entry (dates, names, hours, payroll journal figures, etc.) from other sources
GREEN	Requires manual entry of payroll amounts for each employee for the Covered Period or Alternate Covered Period
TURQUOISE	You will need to compare the result against a limit (such as 75% of prior earnings or the maximum allowable earnings) and adjust it or note it accordingly
WHITE	The result or formula will generally carry through from a different cell and/or page, and you will not usually need to manually enter any value (except in the case of comparing limits).

GENERAL INSTRUCTIONS - see details below

1. Enter the names and payroll information into the yellow cells in the Payroll Data worksheet
2. Calculate the employer-paid portion of healthcare premium expenses in the Health Ins. Calcs worksheet. Employee paid premium is not allowable, nor is any healthcare premium that is paid for owners.
3. Enter the allowable expenses in the Expense Data worksheet.
4. Use Schedule A Calcs worksheet to apply maximum limits, calculate FTEs, perform Safe Harbor calculations, etc. that will be needed in the Schedule A Worksheet part of the forgiveness application
5. Schedule A Worksheet will be populated by Schedule A Calcs
6. PPP Schedule A will be populated by Schedule A Worksheet and you will also need to perform a Safe Harbor 2 evaluation.
7. Forgiveness Amount Calc will be populated by a variety of worksheets and you will need to perform a final determination of the applicable forgiveness amount.

1. PAYROLL DATA

Row 1	In Column E, Enter the date range for your Covered Period or Alternative Covered Period
Column A	Enter the employee names. Note that Table 1 is for employees who earned less than 100K in 2019 and Table 2 is for employees who earned 100K or more in 2019. Table 3 is for Owners. If there are rows not needed, you can just leave them blank.
Column B	Enter the 2019 Total Gross Payroll Amount for each employee that was used for the calculation of the loan amount.
Column C	Enter the 2020 first quarter (Jan 1 - March 31) Total Gross Payroll amount for each employee
Column E-J	In row 4 enter the date ranges for each of the payroll periods that will be included in the Covered Period (or Alternate Covered Period).
Column E-J	In row 54 enter the date each payroll is actually paid
Column E-J	In row 55 enter the number of weeks in each pay period
Column E-J	In the rows highlighted in green, on each payday, enter the gross payroll amount that corresponds to each employee and owner in the appropriate column.
Column K	When all of the pay periods are included, it will automatically total
Column L	If any employees exceed the proportional 100K cap, or the Owners cap in column K, change the amount in column L to reflect the cap
Column M	This compares the capped compensation during the Covered Period to a proportionate amount paid during the first quarter. Highlight any person who is at less than 75% as there will be a reduction.
Column N	This subtracts the full compensation from the maximum allowable compensation, and can be used to track the overall allowable payroll dollars that are being calculated.

2. HEALTH INS. DATA

Row 1	Write in the name of each healthcare carrier
Row 3	Write in the monthly premium paid to each carrier
Column B - D	For each person that pays a portion of his/her own healthcare premium, put the amount per pay period in the appropriate row/column
Row 36	Enter the number of pay periods in a year for healthcare premium purposes
	Note that the allowable Healthcare premium will subtract out any that is attributable to owners

3. EXPENSE DATA

Column B and E	Should you wish to use the Health Ins. Calcs figures, they will link over to this spot. If the numbers change month by month you can just write over them. Note that Column B is ALLOWABLE only and will subtract out the employee portion.
Column B and E	For other expenses below (Retirement, Mortgage, Rent, Utilities) you need to manually type in the paid amount in column E and the allowable amount in column B.
Column F	It will be good to note the check number, if it was a credit card, ACH, automatic withdrawal from your bank, etc. as you may need documentation of the payment.
Column G	Anticipate what type of information may be needed as documentation (the bill, the lease, a journal entry, etc.)

4. SCHEDULE A CALCS

Safe Harbor Calculations	
Column X	Highlight anyone who came out less than 75%
Column Z	Enter the amount of actual compensation from Jan 1, 2020 - Feb 14, 2020 - this is 2a
Column AB	Enter the amount of actual compensation from Feb 15, 2020 - April 26, 2020 - this is 2b
Column AD	Is 2b greater than or equal to 2a? Write yes or no
Column AF	Enter the total amount paid to the employee from Jan 1, 2020 - the end of the Covered Period
Column AL	Highlight anyone who came up with a positive amount as a result. These are people for which you will need to calculate a Salary/Hourly Wage Reduction.
Column AN	Enter the average number of hours worked per week for the first quarter for each hourly employee
Column AO and AP	For each hourly employee who came up with a positive result in Column AL, copy down the formula from Row 9 for each column, respectively. AP is set at 24 weeks but if you need it to be at 8 weeks, change the formula link to \$AP\$4 instead of \$AP\$5
Column AQ	For each salaried employee who came up with a positive result in Column AL, copy down the formula from Row 9
Column AR	This will show the salary/hourly wage reduction amount which will then link to Table 1

FTE Calculations	
Column AT	For each person on your list, make sure there is a 1 in the count column (note that if you have fewer employees, enter a 0 here in any row that does not correspond to an employee)
Column AU - BF	For each person, enter the number of hours worked per week
Column BJ	The FTE calculations will link over to the appropriate tables

5. SCHEDULE A WORKSHEET

Most of the figures will link over from Schedule A Calcs. However toward the bottom of the page you will need to manually enter the answers to some FTE questions.

Step 1	Enter your total average FTE between February 15, 2020 and April 26, 2020. Follow the same method that was used to calculate Average FTE in the PPP Schedule A Worksheet Tables. Sum across all employees and enter:
Step 2	Enter the borrower's total FTE in the Borrower's pay period inclusive of February 15, 2020. Follow the same method that was used in step 1:
Step 3	If the entry for step 2 is greater than step 1, proceed to step 4. Otherwise, FTE Reduction Safe Harbor 2 is not applicable and the Borrower must complete line 13 of PPP Schedule A by dividing line 12 by line 11 of that schedule.
Step 4	Enter the borrower's total FTE as of the earlier of December 31, 2020, and the date this application is being submitted:
Step 5	If the entry for step 4 is greater than or equal to step 2, enter 1.0 on line 13 of PPP Schedule A; the FTE Reduction Safe Harbor 2 has been satisfied. Otherwise, FTE Reduction Safe Harbor 2 does not apply and the Borrower must complete line 13 of PPP Schedule A by dividing line 12 by line 11 of that schedule.

6. PPP SCHEDULE A

Most of the figures will link over from Schedule A Worksheet. However toward the bottom of the page you will need to manually enter the answers to some FTE and Safe Harbor questions.

7. FORGIVENESS AMOUNT CALC

Figures will link over from Schedule A Worksheet and Expense Data

At the bottom you will need to enter the smallest of the three figures of Lines 8, 9 or 10 in Line 11. This is the amount that should be forgiven.

DISCLAIMER

Disclaimer: I/We are not CPA's or Attorneys and while you are free to use the tool, we are not able to assist you with these calculations.

We make no warrant as to the accuracy or reliability of this software. You assume any and all liabilities associated with its use.

For the best advice, seek out and consult with a licensed and registered CPA.

VERSION HISTORY

8/27/2020 This is the original published revision. Filename is SBA Expenses and Forgiveness Form.xlsx