

Rundown of Updated PPP Forgiveness Application Forms for Both First and Second Draw Loans

The Small Business Association (SBA) recently updated all versions of the PPP Loan Forgiveness Applications to reflect changes in the recent legislation. Borrowers who have yet to apply for forgiveness on their First Draw PPP should use these updated forms and consult with their lender. Some lenders are utilizing equivalent versions of the forms. Also, some lenders have delayed accepting the forgiveness applications while they address the second round of PPP funding.

Simplified Forgiveness Application (Form 3508EZ)

The updated EZ PPP Loan Forgiveness Application Form 3508EZ and corresponding instructions is available [here](#). Borrowers who received a loan less than \$2,000,000 (combined with affiliates) may use this form as long as they satisfy one of the two following qualifications: 1) there were no reductions in salaries by more than 25% during the covered period *and* no reductions in number of employee headcounts (with some exceptions); or 2) the borrower did not reduce salaries by more than 25% during the covered period *and* the borrower was unable to operate at the same level of business activity due to government shutdown orders.

Loans Under \$150,000

The updated simplified PPP Loan Forgiveness Application Form 3508S and corresponding instructions is available [here](#). The recent legislation increased the threshold amount for this simplified application to \$150,000. If a borrower has a PPP loan equal to or less than this amount, the borrower may simply submit this one-page form to its lender; supporting documentation is not required to be submitted, but only maintained.

Loans in Excess of \$150,000

The updated full version of the PPP Loan Forgiveness Application Form 3508 and corresponding instructions is available [here](#). As a recap, borrowers who received a loan of \$2,000,000 or more (combined with affiliates) must use this form, as well as borrowers who reduced salaries and/or employee headcounts and do not qualify for a safe harbor noted above under the 3508EZ application.

The attorneys at Bond, Schoeneck and King can help you apply for forgiveness on your First Draw PPP loan. Please contact [Jeffrey B. Scheer](#) or the attorney at the firm with whom you are regularly in contact.



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