

# List of required PPP application documents – First Draw

## 1. Completed PPP Application Form - 2483

- - Include your contact name and email address.
  - List the names of all owners (over 20%).
  - Indicate your Business Type (Independent Contractors and Sole Proprietors have slightly different document requirements).
  - Check Yes or No for all questions on the form.
    - If you answer Yes to questions 1,2, 5, or 6, you do not qualify for a PPP loan.
    - If you answer Yes to question 3 or 4, you may still qualify, but you must include an Addendum on a separate sheet explaining the details.

## 2. Average monthly payroll costs (only applies to businesses with employees)

Here's a guide on what may classify as payroll expenses:

- Payroll costs include: employee salary, wages and commissions; payment of cash tips; payment of vacation; parental, family, medical or sick leave; allowance for dismissal or separation; payment required for group health benefits (including insurance premiums); or payment of state or local tax assessed on employee compensation; and for sole proprietors or independent contractors, income or compensation not in excess of \$100,000 per employee.
- Payroll costs exclude: compensation of an individual person in excess of \$100,000 (when annualized); compensation to an employee whose principal residence is outside of the U.S.; qualified sick leave for which a credit is allowed under Section 7001 of the Families First Coronavirus Response Act; and qualified family leave wages for which a credit is allowed under Section 7003 of the Families First Coronavirus Response Act.
- Show your work. Borrowers must “show their work” on how they calculated the requested loan amount, and retain the supporting documentation used to get to that figure.

## 3. 2019 Proof of Payroll Costs (or Self Income)

- - If you have employees (even as a partnership), you must provide one of these documents:

- IRS Form 940 for 2019
- IRS Form 941 for 2019 (Please note this is a quarterly form, so you must include all four quarters unless you were established less than a year ago. If that is the case, then you need to provide a Form 941 for every quarter since you were established)
- IRS Form 944 for 2019
- Payroll processor records from a PEO (Professional Employer Organization)
- If you are a partnership *without* employees, you must provide:
  - 2019 Schedule K-1 (IRS Form 1065). [*See here for more info.*] Check profit noted on line 14a. If you have no employees and line 14a is \$0 or less, you do not qualify for a PPP loan.
- If you are self-employed as a sole proprietor or independent contractor without employees, you must provide a 2019 IRS Form 1040 Schedule C, to prove your own income. Check profit noted on line 31. If line 31 shows \$0 or less, you do not qualify for a PPP loan.
- Proof of health insurance payments may also be accepted (but are not required) as part of the lender's document review and loan calculation process. For Sole Proprietors & Independent Contractors, receipts and invoices showing payments can be in your name. All other types of companies should share receipts, invoices, or a PEO report if available in the name of the business (not your own name).

## 4. Proof of Ownership

You must provide each owner's name and Social Security Number (SSN), Taxpayer Identification Number (TIN), or Employer Identification Number (EIN), plus one of these documents listed below, as applicable to your business type. (If your business has more than one owner over 20%, you must list the percentage of all owners).

- - For corporations (with employees) and partnerships:
    - 2019 Schedule K-1 (IRS Form 1065).
    - 2018 Schedule K-1 (IRS Form 1065) may also be acceptable if the primary owner provides a written statement that ownership has not changed since 2018 or detailing how the ownership has changed.
    - Articles of incorporation (with SSN) if they show ownership, and must show % of ownership to be acceptable.
    - Bylaws or operating agreement if they show ownership, and must show % of ownership to be acceptable.
  - For Sole Proprietors and Independent Contractors:
    - 2019 IRS Form 1040 Schedule C that shows business name and owner name, or
    - 2018 IRS Form 1040 Schedule C may be acceptable if the primary owner provides a written statement that ownership has not changed since 2018 or detailing how the ownership has changed.
    - IRS Form W9 (for Independent Contractors only).

## **5. Unexpired, Government-issued Driver's License or Passport for All Owners Over 20%**

Each owner must be accounted for in the PPP application form. Along with each owner's TIN, EIN, or SSN, lenders will also require a government-issued ID such as a Passport or a state-issued Driver's License.

## **6. Email Addresses for All Owners with 20% or More of the Business**

## **7. Electronic Funds Transfer Information**

So the lender can deposit approved funds into your account, you may be asked to provide a bank statement (either an electronic [pdf] or scanned copy) showing both the name on the account and the account number.

- For independent contractors and sole proprietors, the bank statement can be in the owner's name.
- For all other business types, the bank statement must be in the business name.

## **8. Proof of Business Operation and Active Status with Secretary of State**