



## Paycheck Protection Program Loan Forgiveness: Required Documentation

As of December 16, 2022

This guide can help you prepare for the types of documentation you may need to provide to support your forgiveness request. Please note that your application **will not be complete** until you've attached all required documents.

### Helpful Tips for Document Preparation

- Ensure your digital file is readable and meets the description of acceptable documentation provided below, including valid dates.
- Files must be .pdf, .jpg, .png, .jpeg, .xlsx, .docx, or .zip; other file types will not be supported.
- Document name must be less than 80 characters, including the file extension.
- Document name cannot contain any special characters (e.g., #, %, \$, etc.).
- The SBA has set a 35 MB file size limit; compress your files and/or adjust their resolution while maintaining legibility to ensure they meet this size constraint. Learn how to do this for [Microsoft](#) or [Apple](#) operating systems. *(Note, these links are provided for your convenience; we did not generate this content, and we cannot guarantee it is accurate or current. Additionally, you may wish to use one of the available third-party apps that can combine files into a single PDF. Comerica does not endorse a specific app for this purpose.)*
- Once you have completed the submission of all required documents, we will review your application details and email you if additional information is needed

### General Documentation Guidelines

- Per Small Business Administration (SBA) rules, the Borrower on the Paycheck Protection Program (PPP) loan must incur and pay the costs submitted for PPP loan forgiveness, except for limited circumstances.
- Supporting documentation should include the applicant's name(s), date(s) and amount(s). For payroll documentation, the gross amount of payroll is required. The term "cash compensation" includes salary, wages, commissions, tips, paid leave and any allowance for separation or dismissal.
- Verify that dates for eligible amounts of expense and payment fall within the Covered Period rules. Expenses incurred and paid outside of these time frames for payroll are not eligible for forgiveness.

- Please highlight the amounts entered into the forgiveness application on the submitted documentation and/or include a summary for each of the eligible expense amounts to reconcile the amounts on the documentation with the amounts entered into the SBA PPP forgiveness application.
- SBA guidance for supporting documentation for owner's compensation for specific corporate entity types can be found in the [Frequently Asked Questions on PPP Loan Forgiveness](#).
- Verify that the owner's compensation values are not entered in both the gross compensation line as well as the owner's compensation line.
- Clarify if the same invoice and account number is being used for multiple nonpayroll-eligible expenses (e.g., telephone and internet services).

Nonpayroll expenses must be evidenced prior to February 15, 2020, for each account that is submitted as an eligible expense during the Covered Period.

- If cancelled checks are provided as evidence of payment, both the front and back of check must be attached.

## **Payroll Documentation**

The payroll documentation provided must be for the Covered Period. In the application form, you have the option to elect your Covered Period length, provided that it is at least eight weeks and not more than 24 weeks.

**Covered Period Definition:** The Covered Period begins on the date the loan was originally disbursed. It ends on a date selected by the Borrower that is at least eight weeks following the date of loan disbursement and not more than 24 weeks after the date of loan disbursement.

- 1. Evidence of Cash Compensation Paid:** Merge multiple pages into ONE DIGITAL FILE (must be .pdf, .jpg, .png, .jpeg, .xlsx, .docx, or .zip; other file types will not be supported). This includes third-party payroll service provider reports or bank account statements evidencing the amount of cash compensation paid to employees.
- 2. Evidence of Employer Contributions to Employee Health Insurance:** Merge multiple pages into ONE DIGITAL FILE (must be .pdf, .jpg, .png, .jpeg, .xlsx, .docx, or .zip; other file types will not be supported). This includes payment receipts, cancelled checks, or account statements evidencing the amount of any employer contributions to employee health insurance included in the forgiveness amount.
- 3. Evidence of Employer Contribution to Employee Retirement Benefits:** Merge multiple pages into ONE DIGITAL FILE (must be .pdf, .jpg, .png, .jpeg, .xlsx, .docx, or .zip; other file types will not be supported). This includes payment receipts, cancelled checks, or account

statements evidencing the amount of any employer contributions to employee retirement plans included in the forgiveness amount.

4. **Evidence of Payroll Taxes Paid:** Merge multiple pages into ONE DIGITAL FILE (must be .pdf, .jpg, .png, .jpeg, .xlsx, .docx, or .zip; other file types will not be supported). This includes employer-only state and local payroll tax forms (or equivalent third-party payroll service provider reports) for the periods that overlap with the Covered Period that show payroll tax filings or what will be reported, and state quarterly business and individual employee wage reporting and unemployment insurance tax filings or what will be reported. **Do not** provide employee withheld tax information.
5. **Compensation to Owners – Evidence of 2019 Owner(s) Compensation:** Merge multiple pages into ONE DIGITAL FILE (must be .pdf, .jpg, .png, .jpeg, .xlsx, .docx, or .zip; other file types will not be supported). This includes evidence of 2019 total compensation paid to owners. Documentation may include tax filings based on business type (e.g., K-1, 1040 Schedule C, etc.)
6. **Compensation to Owners – Proof of Payment(s):** Merge multiple pages into ONE DIGITAL FILE (must be .pdf, .jpg, .png, .jpeg, .xlsx, .docx, or .zip; other file types will not be supported). This includes proof of payments made during the Covered Period, and one month following the Covered Period (if applicable). Documentation may include bank statements, cancelled checks or third-party payroll processor reports, but it is recommended that the SBA PPP Frequently Asked Questions are reviewed for acceptable types of documents for various corporate entity types.
7. **FTE – Evidence of Average Number of FTE During Reference Period:** Merge multiple pages into ONE DIGITAL FILE (must be .pdf, .jpg, .png, .jpeg, .xlsx, .docx, or .zip; other file types will not be supported). This includes documentation showing the average number of FTE employees on payroll per week for the reference period selected for purposes of completing PPP Schedule A, line 11. Documentation may include payroll tax filings or what will be reported, and state quarterly business and individual employee wage reporting and unemployment insurance tax filings or what will be reported.

As a reminder, it is your obligation as the Borrower to provide an accurate calculation of the loan forgiveness amount, which includes determining whether an individual is an eligible employee and the amount of eligible payroll costs for each eligible employee.

## Eligible Nonpayroll Expenses

**Covered Period Definition:** The Covered Period begins on the date the loan was originally disbursed. It ends on a date selected by the Borrower that is at least eight weeks following the date of loan disbursement and not more than 24 weeks after the date of loan disbursement.

- 8. Mortgage Interest – Evidence of Active Before 2/15/2020:** Merge multiple pages into ONE DIGITAL FILE (must be .pdf, .jpg, .png, .jpeg, .xlsx, .docx, or .zip; other file types will not be supported). This includes amortization schedule or account statement evidencing obligations were effective prior to February 15, 2020. Documentation needs to include corresponding account number outlining the business' mortgage interest that began prior to February 15, 2020.
- 9. Mortgage Interest – Evidence of Obligation(s):** Merge multiple pages into ONE DIGITAL FILE (must be .pdf, .jpg, .png, .jpeg, .xlsx, .docx, or .zip; other file types will not be supported). This includes amortization schedule or account statements evidencing the amounts due (interest portion) that were paid using PPP funds.
- 10. Mortgage Interest – Proof of Payment(s):** Merge multiple pages into ONE DIGITAL FILE (must be .pdf, .jpg, .png, .jpeg, .xlsx, .docx, or .zip; other file types will not be supported). This includes proof of payments made during the Covered Period (e.g., cancelled checks, DDA account transactions, etc.) and one month following the Covered Period that were paid using PPP funds (if applicable).
- 11. Rent/Lease – Evidence of Active Before 2/15/2020:** Merge multiple pages into ONE DIGITAL FILE (must be .pdf, .jpg, .png, .jpeg, .xlsx, .docx, or .zip; other file types will not be supported). This includes lease agreement or account statement evidencing obligations were effective prior to February 15, 2020. Documentation needs to include corresponding account number or address outlining the business' rent or lease that began prior to February 15, 2020.
- 12. Rent/Lease – Evidence of Obligation(s):** Merge multiple pages into ONE DIGITAL FILE (must be .pdf, .jpg, .png, .jpeg, .xlsx, .docx, or .zip; other file types will not be supported). This includes lease agreements or account statements evidencing the amounts due that were paid using PPP funds.
- 13. Rent/Lease – Proof of Payment(s):** Merge multiple pages into ONE DIGITAL FILE (must be .pdf, .jpg, .png, .jpeg, .xlsx, .docx, or .zip; other file types will not be supported). This includes proof of payments made during the Covered Period (e.g., cancelled checks, DDA account transactions, bank statements, rent/lease payment receipts) and one month following the Covered Period that were paid using PPP funds (if applicable).
- 14. Electricity – Evidence of Active Before 2/15/2020:** Merge multiple pages into ONE DIGITAL FILE (must be .pdf, .jpg, .png, .jpeg, .xlsx, .docx, or .zip; other file types will not be

supported). This includes an invoice with corresponding account number outlining the business' electricity expense that began prior to February 15, 2020.

15. **Electricity – Evidence of Service(s):** Merge multiple pages into ONE DIGITAL FILE (must be .pdf, .jpg, .png, .jpeg, .xlsx, .docx, or .zip; other file types will not be supported). This includes invoices evidencing the amounts due that were paid using PPP funds.
16. **Electricity – Proof of Payment(s):** Merge multiple pages into ONE DIGITAL FILE (must be .pdf, .jpg, .png, .jpeg, .xlsx, .docx, or .zip; other file types will not be supported). This includes proof of payments made during the Covered Period (e.g., cancelled checks, DDA account transactions, bank statements, utility payment receipts) and one month following the Covered Period that were paid using PPP funds (if applicable).
17. **Gas – Evidence of Active Before 2/15/2020:** Merge multiple pages into ONE DIGITAL FILE (must be .pdf, .jpg, .png, .jpeg, .xlsx, .docx, or .zip; other file types will not be supported). This includes invoices evidencing gas utilities were in service prior to February 15, 2020.
18. **Gas – Evidence of Service(s):** Merge multiple pages into ONE DIGITAL FILE (must be .pdf, .jpg, .png, .jpeg, .xlsx, .docx, or .zip; other file types will not be supported). This includes invoices evidencing the amounts due that were paid using PPP funds.
19. **Gas – Proof of Payment(s):** Merge multiple pages into ONE DIGITAL FILE (must be .pdf, .jpg, .png, .jpeg, .xlsx, .docx, or .zip; other file types will not be supported). This includes proof of payments made during the Covered Period (e.g., cancelled checks, DDA account transactions, bank statements, utility payment receipts) and one month following the Covered Period that were paid using PPP (if applicable).
20. **Water – Evidence of Active Before 2/15/2020:** Merge multiple pages into ONE DIGITAL FILE (must be .pdf, .jpg, .png, .jpeg, .xlsx, .docx, or .zip; other file types will not be supported). This includes an invoice with corresponding account number outlining the business' water expense that began prior to February 15, 2020.
21. **Water – Evidence of Service(s):** Merge multiple pages into ONE DIGITAL FILE (must be .pdf, .jpg, .png, .jpeg, .xlsx, .docx, or .zip; other file types will not be supported). This includes invoices evidencing the amounts due that were paid using PPP funds.
22. **Water – Proof of Payment(s):** Merge multiple pages into ONE DIGITAL FILE (must be .pdf, .jpg, .png, .jpeg, .xlsx, .docx, or .zip; other file types will not be supported). This includes proof of payments made during the Covered Period (e.g., cancelled checks, DDA account transactions, bank statements, utility payment receipts) and one month following the Covered Period that were paid using PPP (if applicable).
23. **Transportation – Evidence of Active Before 2/15/2020:** Merge multiple pages into ONE DIGITAL FILE (must be .pdf, .jpg, .png, .jpeg, .xlsx, .docx, or .zip; other file types will not be supported). This includes an invoice with corresponding account number outlining the business' transportation expense that began prior to February 15, 2020.

- 24. Transportation – Evidence of Service(s):** Merge multiple pages into ONE DIGITAL FILE (must be .pdf, .jpg, .png, .jpeg, .xlsx, .docx, or .zip; other file types will not be supported). This includes invoices evidencing the amounts due that were paid using PPP funds.
- 25. Transportation – Proof of Payment(s):** Merge multiple pages into ONE DIGITAL FILE (must be .pdf, .jpg, .png, .jpeg, .xlsx, .docx, or .zip; other file types will not be supported). This includes updated proof of payments made during the Covered Period (cancelled checks, DDA account transactions, bank statements, transportation payment receipts) and **one month following the Covered Period that were paid using PPP funds (if applicable).**
- 26. Telephone – Evidence of Active Before 2/15/2020:** Merge multiple pages into ONE DIGITAL FILE (must be .pdf, .jpg, .png, .jpeg, .xlsx, .docx, or .zip; other file types will not be supported). This includes an invoice with corresponding account number outlining the business' telephone expense that began prior to February 15, 2020.
- 27. Telephone – Evidence of Service(s):** Merge multiple pages into ONE DIGITAL FILE (must be .pdf, .jpg, .png, .jpeg, .xlsx, .docx, or .zip; other file types will not be supported). This includes invoices evidencing the amounts due that were paid using PPP funds.
- 28. Telephone – Proof of Payment(s):** Merge multiple pages into ONE DIGITAL FILE (must be .pdf, .jpg, .png, .jpeg, .xlsx, .docx, or .zip; other file types will not be supported). This includes updated proof of payments made during the Covered Period (cancelled checks, DDA account transactions, bank statements, telephone payment receipts) and one month following the Covered Period that were paid using PPP funds (if applicable).
- 29. Internet Access – Evidence of Active Before 2/15/2020:** Merge multiple pages into ONE DIGITAL FILE (must be .pdf, .jpg, .png, .jpeg, .xlsx, .docx, or .zip; other file types will not be supported). This includes an invoice with corresponding account number outlining the business' internet expense that began prior to February 15, 2020.
- 30. Internet Access – Evidence of Service(s):** Merge multiple pages into ONE DIGITAL FILE (must be .pdf, .jpg, .png, .jpeg, .xlsx, .docx, or .zip; other file types will not be supported). This includes invoices evidencing the amounts due that were paid using PPP funds.
- 31. Internet Access – Proof of Payment(s):** Merge multiple pages into ONE DIGITAL FILE (must be .pdf, .jpg, .png, .jpeg, .xlsx, .docx, or .zip; other file types will not be supported). This includes updated proof of payments made during the Covered Period (cancelled checks, DDA account transactions, bank statements, internet payment receipts) and one month following the Covered Period (if applicable) that were paid using PPP funds.
- 32. Covered Operations Expenditures – Evidence of Expenditure(s):** Merge multiple pages into ONE DIGITAL FILE (must be .pdf, .jpeg, .jpg, .png, .xlsx, .docx, or .zip; other file types will not be supported). Provide copies of invoices, orders or purchase orders paid during the

Covered Period for any business software or cloud computing service that facilitates business operations; product or service delivery; the processing, payment, or tracking of payroll expenses; human resources; sales and billing functions; or accounting or tracking of supplies, inventory, records and expenses.

33. **Covered Operations Expenditures – Proof of Payment(s):** Merge multiple pages into ONE DIGITAL FILE (must be .pdf, .jpeg, .jpg, .png, .xlsx, .docx, or .zip; other file types will not be supported). Provide proof of payment made during the Covered Period, including copies of receipts, cancelled checks, or account statements verifying those eligible payments.
34. **Covered Property Damage Costs – Evidence of Cost(s):** Merge multiple pages into ONE DIGITAL FILE (must be .pdf, .jpeg, .jpg, .png, .xlsx, .docx, or .zip; other file types will not be supported). Provide copies of invoices, orders or purchase orders paid during the Covered Period. Provide documentation that the costs were related to property damage and vandalism or looting due to public disturbances that occurred during 2020 and that such costs were not covered by insurance or other compensation (including police reports, partial insurance claims, etc.).
35. **Covered Property Damage Costs – Proof of Payment(s):** Merge multiple pages into ONE DIGITAL FILE (must be .pdf, .jpeg, .jpg, .png, .xlsx, .docx, or .zip; other file types will not be supported). Provide proof of payment made during the Covered Period, including copies of receipts, cancelled checks, or account statements verifying those eligible payments.
36. **Covered Perishable Supplier Costs – Evidence of Cost(s):** Merge multiple pages into ONE DIGITAL FILE (must be .pdf, .jpeg, .jpg, .png, .xlsx, .docx, or .zip; other file types will not be supported). Provide copies of contracts, orders or purchase orders in effect at any time before or at any time during the Covered Period for expenditures made to a supplier of goods for the supply of goods that are essential to the operations of the Borrower at the time the expenditure is made.
37. **Covered Perishable Supplier Costs – Proof of Payment(s):** Merge multiple pages into ONE DIGITAL FILE (must be .pdf, .jpeg, .jpg, .png, .xlsx, .docx, or .zip; other file types will not be supported). Provide proof of payment made during the Covered Period, including copies of receipts, cancelled checks, or account statements verifying those eligible payments.
38. **Covered Nonperishable Supplier Costs – Evidence of Cost(s):** Merge multiple pages into ONE DIGITAL FILE (must be .pdf, .jpeg, .jpg, .png, .xlsx, .docx, or .zip; other file types will not be supported). Provide copies of contracts, orders or purchase orders in effect at any time before the Covered Period for expenditures made to a supplier of goods for the supply of goods that are essential to the operations of the Borrower at the time the expenditure is made.
39. **Covered Nonperishable Supplier Costs – Proof of Payment(s):** Merge multiple pages into ONE DIGITAL FILE (must be .pdf, .jpeg, .jpg, .png, .xlsx, .docx, or .zip; other file types

will not be supported). Provide copies of invoices, orders or purchase orders paid during the Covered Period and receipts, cancelled checks, or account statements verifying those eligible payments.

40. Covered Worker Protection Expenditures – Evidence of Expenditure(s): Merge multiple pages into ONE DIGITAL FILE (must be .pdf, .jpeg, .jpg, .png, .xlsx, .docx, or .zip; other file types will not be supported). Provide copies of invoices, orders or purchase orders paid during the Covered Period for operating or capital expenditures that facilitate the adaptation of the business activities of an entity to comply with the requirements established or guidance issued by the Department of Health and Human Services, the Centers for Disease Control or the Occupational Safety and Health Administration; or any equivalent requirements established or guidance issued by a state or local government, during the period starting March 1, 2020, and ending on the date the national emergency declared by the president with respect to coronavirus disease 2019 (COVID-19) expires, related to maintenance standards for sanitation, social distancing or any other worker or customer safety requirement related to COVID-19, but does not include residential real property or intangible property. Provide documentation that the expenditures were used by the Borrower to comply with applicable COVID-19 guidance during the Covered Period.
41. Covered Worker Protection Expenditures – Proof of Payment(s): Merge multiple pages into ONE DIGITAL FILE (must be .pdf, .jpeg, .jpg, .png, .xlsx, .docx, or .zip; other file types will not be supported). Provide proof of payment made during the Covered Period, including copies of receipts, cancelled checks, or account statements verifying those eligible payments.

### **Revenue Reduction**

If the loan forgiveness application is being submitted for a Second Draw PPP Loan you may not be required to submit revenue reduction documentation based on revised SBA requirements (Interim Final Rule regarding COVID Revenue Reduction Score) or if you already provided the revenue reduction documentation at loan origination. You must also have used all First Draw PPP Loan amounts on eligible expenses prior to disbursement of the Second Draw PPP Loan. See [PPP Loan Forgiveness Application Form 3508S Revised July 30, 2021 \(sba.gov\)](#).

Merge multiple pages into ONE DIGITAL FILE (must be .pdf, .jpeg, .jpg, .png, .xlsx, .docx, or .zip; other file types will not be supported). The following are the primary sets of documentation Applicants can provide to substantiate their certification of a 25 percent gross receipts reduction (only one set is required):

42. Quarterly financial statements for the entity. If the financial statements are not audited, the Applicant must sign and date the first page of the financial statement and initial all other pages, attesting to their accuracy. If the financial statements do not specifically identify the line item(s) that constitute gross receipts, the Applicant must annotate which line item(s) constitute gross receipts OR



43. Quarterly or monthly bank statements for the entity showing deposits from the relevant quarters. The Applicant must annotate, if it is not clear, which deposits listed on the bank statement constitute gross receipts (e.g., payments for purchases of goods and services) and which do not (e.g., capital infusions) OR
44. Annual IRS income tax filings of the entity (required if using an annual reference period). If the entity has not yet filed a tax return for 2020, the Applicant must fill out the return forms, compute the relevant gross receipts value (see [sba.gov](https://www.sba.gov) for more information on gross receipts), and sign and date the return, attesting that the values that enter into the gross receipts computation are the same values that will be filed on the entity's tax return.

Please see [SBA.gov](https://www.sba.gov) for most current information.

See [Second Draw PPP Loans: How to Calculate Revenue Reduction and Maximum Loan Amounts \(sba.gov\)](#) Revenue Reduction Question 4.