



FUBA
FLORIDA UNITED BUSINESSES ASSOCIATION

ISSUES

OUR BUSINESS IS SMALL BUSINESS

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NEW SIMPLIFIED FORGIVENESS APPLICATION FOR PPP LOANS UNDER \$150,000

If your business received a PPP loan of \$150,000 or less, you can apply for loan forgiveness using newly released Form 3508S. This form does not require any calculations or supporting documentation (like payroll records or tax forms). The only information required is:

- Your PPP loan number.
- The amount of your PPP loan.
- Date you received your PPP loan.
- Number of employees at the time you applied for the loan.
- Number of employees at the time you are applying for forgiveness.
- Amount of the loan you spent on payroll costs. Payroll costs include salary, wages, paid leave, and employer contributions to employee group health, life, disability, vision, or dental insurance, as well as employer contributions to employee retirement plans.
- The loan's covered period. The covered period starts the date you received your loan and ends on a date you choose that is at least 8 weeks but not more than 24 weeks later. You select the duration of your loan's covered period as long as it lasts a minimum of 8 weeks and not more than 24 weeks.
- A certification that you spent the PPP

loan on eligible costs and that you spent at least 60% of it on payroll costs.

Required Documentation for Forgiveness:

For PPP loans of \$150,000 or less, no supporting documentation is required. However, businesses should keep records showing what their PPP loan was spent on for at least 3 years, as the Small Business Administration may review or audit the loan to check for fraud. Page 4 of Form 3508S lists the records you are required to maintain (but not submit).

When to Apply for Forgiveness:

The deadline to file for forgiveness is 10 months after the end of your chosen covered period (see above for explanation of the covered period), but **the Small Business Administration has advised banks that they will not begin accepting this new forgiveness application until March 5th**. Many banks are advising their clients to wait until after March 5th to apply for PPP loan forgiveness because the new form is so much simpler and requires no documentation. For a business that received a PPP loan in 2020, applying for forgiveness in March is still well within the 10-month time limit.

Where to Apply for Forgiveness:

You apply for forgiveness with the same bank/lender that gave you the PPP loan. They may have their own version of Form 3508S and it may be online instead of on paper.

For more information about PPP loan

forgiveness, including forgiveness applications, please visit the Small Business Administration's forgiveness website at sba.gov/funding-programs/loans/coronavirus-relief-options/paycheck-protection-program/ppp-loan-forgiveness.

FUBA members with questions about PPP loan forgiveness can ask our experts by calling us at 800-262-4483 and asking for Karen or Stacey.

ANOTHER ROUND OF PPP LOANS AVAILABLE

The Paycheck Protection Program (PPP) loans have opened back up for businesses that already received a PPP loan as well as businesses seeking their first PPP loan. Funding runs through March 31, 2021, or until the allocated funds run out.

To apply for either a first or second PPP loan, you should contact your bank or credit union.

Eligibility for a first PPP loan:

If your business has 500 or fewer employees and did not receive a PPP loan last year, you can apply for a First Draw PPP loan. The amount your business is eligible to receive is 2.5 times your average monthly payroll.

Eligibility for a second PPP loan:

If your business has fewer than 300 employees and you received a PPP loan in 2020, you can apply for a second PPP loan if your business had a 25% reduction in gross revenues from 2019 to 2020. This reduction is calculated by comparing your company's gross receipts either from (a) any quarter of 2020 to the same quarter of 2019 or (b) comparing 2020 gross receipts to 2019.

PPP loans are eligible for forgiveness, which means you do not have to pay the loan back if you spend at least 60% of the loan on payroll costs like salary/wages, paid leave, and payments for group health benefits like vision, dental, disability, and life insurance for employees.

For more information and loan applications, visit the Small Business Administration's PPP website at sba.gov/funding-programs/loans/coronavirus-relief-options/paycheck-protection-program.

BEWARE OF EMAILS ABOUT ANNUAL REPORT

Under Florida law, all corporations and limited liability companies (LLC's) must file an Annual Report each year with the Florida Division of Corporations before May 1st.

Corporations and LLC's that are formed in 2021 do not have to file their first Annual Report until 2022.

The Annual Report is the way your company tells the State of Florida if there have been any changes to your company's information (like changes to your mailing address, company officers, etc). You must file an Annual Report even if there have been no changes to your company's information.

Annual Reports can only be filed at the official Florida Department of State website at sunbiz.org. You may receive emails from private companies with names like Florida StartUp Co. or File Florida Co. about your company's annual report. **Please be advised that these emails are from a private company that is not affiliated with the State of Florida.**

If you file your annual report with one of these private companies, it will be much more expensive than filing it yourself on sunbiz.org.

The only email you can trust is from the Division of Corporations and will be from FL_DOS_Corporations@dos.state.fl.us and have a link to sunbiz.org. This is legitimate.

If you are ever concerned about an email you get asking about your company, you can call our offices at 800-262-4483 and ask for Karen or Stacey.