



Checklist for Using SBA Form 3508EZ

You (the Borrower) can apply for forgiveness of your First or Second Draw Paycheck Protection Program (PPP) Loan using the SBA Form 3508EZ if your PPP loan amount is more than \$150,000 and you can answer “Yes” to either 1) or 2) below. If your loan amount is \$150,000 or less, you will use SBA Form 3508S.

1) The Borrower did not reduce annual salary or hourly wages of any employee by more than 25 percent during the Covered Period compared to the most recent full quarter before the Covered Period (for purposes of this statement, “employees” means only those employees who did not receive, during any single period during 2019, wages or salary at an annualized rate of pay in an amount more than \$100,000);

AND

The Borrower did not reduce the number of employees or the average paid hours of employees between January 1, 2020 and the end of the Covered Period.

- Ignore reductions that arose from an inability to rehire individuals who were employees on February 15, 2020 if the Borrower was unable to hire similarly qualified employees for unfilled positions on or before December 31, 2020 (or, for a PPP loan made after December 27, 2020, the last day of the Covered Period).
- Also ignore reductions in an employee’s hours that the Borrower offered to restore and the employee refused. See 85 FR 33004, 33007 (June 1, 2020) for more details.

2) The Borrower did not reduce annual salary or hourly wages of any employee by more than 25 percent during the Covered Period compared to the most recent full quarter before the Covered Period. (for purposes of this statement, “employees” means only those employees who did not receive, during any single period during 2019, wages or salary at an annualized rate of pay in an amount more than \$100,000);

AND

The Borrower was unable to operate during the Covered Period at the same level of business activity as before February 15, 2020, due to compliance with requirements established or guidance issued between March 1, 2020, and December 31, 2020 (or, for a PPP loan made after December 27, 2020, requirements established or guidance issued between March 1, 2020 and the last day of the Covered Period) by the Secretary or Health and Human Services, the Director of the Centers for Disease Control and Prevention, or the Occupational Safety and Health Administration, related to the maintenance of standards of sanitation, social distancing, or any other work or customer safety requirement related to COVID-19.

If you answered yes to circumstance 1) or 2) above, then you may use the EZ form; however, if you did not answer yes to 1) or 2) above, then you must apply using the standard SBA Form 3508.

Benefits of the EZ application include:

- Shorter application and instructions
- Requires significantly fewer calculations, and
- Typically takes less time to apply