



COLORADO

Office of Economic Development
& International Trade

Facts Every Paycheck Protection Program Borrower Should Know October 14, 2020

Tools to assist you through the Paycheck Protection Program (PPP) forgiveness process are available. Watch for new content from trusted sources like the [Colorado Small Business Development Centers](#), the [AICPA](#) and your CPA.

Work with trusted advisors to set up and keep accurate records. The best way to remain prepared is to standardize your record keeping for your PPP loan and to have all your documents easily accessible. Focus on records for the allowable uses under your PPP loan, such as payroll reports, utility expenses, mortgage interest and rent expenses.

Three PPP Loan Forgiveness Application Forms are now available.

- [Form 3508S \(Instructions\)](#) - simplified application for borrowers with loans of \$50,000 or less
- [Form 3508EZ \(Instructions\)](#)
- [Form 3508 \(Instructions\)](#)

Selling your business, [new rules](#) are now available to assist you in navigating your PPP loan through the sale of your business. Keep in contact with your Lender and the SBA to navigate this process correctly.

Program details continue to change. Given the complexity and scope of the Paycheck Protection Program, rules, forms and timelines continue to change. Consult the [SBA website](#) for the latest information and rulings.

Plan to submit records that can be quickly and easily reviewed by your lender. Remember your lender will have thousands of these PPP Forgiveness applications to review, so keep your application concise and to the point. Maintain more detailed records for up to 7 years for any possible additional followup or review.

Borrowers have time to wait to file for forgiveness. Borrowers may apply for loan forgiveness as soon as they have met the eligible use criteria, or, at any time up until 10 months after the end of your covered period (10 months + 24 weeks).

Wait for guidance from your lender on when to apply for PPP loan forgiveness. Many banks are also waiting for final rulings and anticipated changes to the Paycheck Protection Program. Lenders are building out their own internal systems to process these efficiently and through their websites.

Sources: Small Business Administration, US Department of the Treasury and the American Institute of Certified Professional Accountants (AICPA).