



# Community Bankers Association of Illinois

*One Mission. Community Banks.®*

## **SBA Simplifies PPP Forgiveness for Loans of \$50,000 or Less**

The SBA and Treasury Department released a simpler loan forgiveness application for Paycheck Protection Program loans of \$50,000 or less to provide needed relief to lenders and borrowers.

The agencies released a two-page Form 3508S application, a three-page instruction sheet, and an interim final rule on the streamlined forgiveness process, which they said will allow lenders to process forgiveness applications more quickly.

Under the simplified process, borrowers with loans of less than \$50,000 are exempt from reductions in the forgiveness amount based on reductions in full-time equivalent employees, salary, or wages.

While these borrowers need not make those calculations or show they qualify for a safe harbor, they still must submit documentation to lenders supporting the amounts they paid for payroll costs or other forgivable expenses.

[See Simplified Loan Forgiveness Application »](#)

[See Instructions for Simplified Application »](#)

[See Interim Final Rule »](#)

