

FINANCIAL DATA NEEDED

7(A) SBA LOAN AND FORGIVENESS UNDER THE CARES ACT CHECKLIST OF DOCUMENTATION REQUIRED



PPP ROUND 2 FUNDING SUBMISSIONS ONLY

The SBA loans under Section 1102 of the CARES Act (sometimes referred to as “7(a) Loans”) which are eligible for forgiveness are available to employers with less than 300 employees. Such loans will be handled through the client’s lender (bank) and guaranteed 100% by the SBA. These are non-recourse loans.

Financial Institutions will need the following financial information in order to process the SBA loan application:

If you already applied and received funding in the first round of PPP funding with Honor Credit Union you will need to provide the following documentation in addition to your completed application:

1.)	Eligibility requirements dictate that the business can demonstrate at least a 25% reduction in gross receipts in any quarter of 2020 relative to the same quarter of 2019. Required documentation: A.) Quarterly income statement/profit and loss statement for 2019 and 2020 corresponding quarters (any quarter) that show 25% reduction in gross receipts, OR B.) 2019 US federal tax return and 2020 year end income statement that shows 25% reduction in gross receipts annually. *Borrowers are advised to remove any prior PPP funding from their gross receipts if included in their current general ledger	
2.)	If your business files under a NAICs code that begins with 72, please provide a copy of your 2019 tax return.	

If you DID NOT participate in the first round of PPP, but would like to apply for funding in the second round, you will need to provide the following documentation in addition to your completed application.

*If you aren’t a current Honor member, you will be required to open a membership (eligibility rules apply)

1.)	Copies of payroll tax reports file with the IRS (including Forms 941, 940, state income and unemployment tax filing reports) for the entire year of 2019 & 2020.	
2.)	Copies of payroll reports for each pay period for the preceding 24 months (2019 & 2020). Such reports should include gross wages including PTO (which might include vacation, sick, and other PTO). This includes payroll reports through the pay period preceding the origination of the SBA loan.	
3.)	Documentation reflecting the health insurance premiums paid by the company under a group health plan including owners of the company for the immediately preceding 24 months (2019 & 2020) prior to the date of the SBA loan origination. Copies of the monthly invoices should suffice.	
4.)	Documentation of all retirement plan funding by the employer for the immediately preceding 12 months. Copies of workpapers, schedules and remittances to the retirement plan administrator should be sufficient.	
5.)	Proof of Good Standing from the State of Michigan (or other state, if applicable)	
6.)	Copy of both front and back of driver’s license of all business owners.	
7.)	Calculation spreadsheet validating the loan amount requested (Honor will provide spreadsheet template)	

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If you already applied and received funding in the first round of PPP with a different financial institution (NOT Honor Credit Union), will need to provide the following documentation in addition to your completed application:

*If you aren't a current Honor member, you will be required to open a membership (eligibility rules apply)

1.)	<p>Eligibility requirements dictate that the business can demonstrate at least a 25% reduction in gross receipts in any quarter of 2020 relative to the same quarter of 2019. Required documentation:</p> <p>A.) Quarterly income statement/profit and loss statement for 2019 and 2020 corresponding quarters (any quarter) that show 25% reduction in gross receipts, OR</p> <p>B.) 2019 US federal tax return and 2020 year end income statement that shows 25% reduction in gross receipts annually.</p> <p>*Borrowers are advised to remove any prior PPP funding from their gross receipts if included in their current general ledger</p>	
2.)	Full SBA Loan number from Round 1 PPP loan	
3.)	Copies of payroll tax reports file with the IRS (including Forms 941, 940, state income and unemployment tax filing reports) for the entire year of 2019 & 2020.	
4.)	Copies of payroll reports for each pay period for the preceding 24 months (2019 & 2020). Such reports should include gross wages including PTO (which might include vacation, sick, and other PTO). This includes payroll reports through the pay period preceding the origination of the SBA loan.	
5.)	Documentation reflecting the health insurance premiums paid by the company under a group health plan including owners of the company for the immediately preceding 24 months (2019 & 2020) prior to the date of the SBA loan origination. Copies of the monthly invoices should suffice.	
6.)	Documentation of all retirement plan funding by the employer for the immediately preceding 12 months. Copies of workpapers, schedules and remittances to the retirement plan administrator should be sufficient.	
7.)	Proof of Good Standing from the State of Michigan (or other state, if applicable)	
8.)	Copy of both front and back of driver's license of all business owners.	
9.)	If your business files under a NAICs code that begins with 72, please provide a copy of your 2019 tax return.	
10.)	If you've received proof of loan forgiveness from your round 1 PPP loan , please provide a statement or other evidence of forgiveness.	
11.)	Calculation spreadsheet validating the loan amount requested (Honor will provide spreadsheet template)	

IMPORTANT NOTES:

Each lender may require more or less information. In addition, each borrower will need to make a certification that the documentation is true and correct, the amount for which forgiveness is being requested was used to make payments to retain employees and to make interest payments on covered mortgage obligations, covered rent obligations and covered utility payments. In addition, the SBA may request further information. There will be NO forgiveness if the documentation is not presented. The SBA will render a decision within 60 days after receipt of an application for forgiveness. The amount of any loan forgiveness under this program is NOT taxable income.