

PPP Loan Forgiveness Application Process

Updated September 15, 2020

Many of you have reached out and are eager to submit your PPP loan forgiveness applications to confirm forgiveness of your PPP loans. However, as of today, Congress is still negotiating additional COVID-19 related stimulus packages. That future legislation may include enhancements to the PPP program, including, without limitation, possible automatic forgiveness for certain loans (potentially those under a certain loan amount). Consequently, should you choose to file a loan forgiveness application before these potential enhancements are passed, you may prejudice your own application or lose the opportunity to take advantage of additional changes to the PPP loan program that may be passed.

However, that being said, if you have met the requirements for full forgiveness of the PPP loan or you are contemplating making future changes to your personnel due to continued economic challenges, it may be in your best interest to file your loan forgiveness application as your filing date of your loan forgiveness application becomes your Safe Harbor Date for FTE calculations. In addition, if you have NOT returned your FTE levels to their pre-pandemic levels, you still have until 12/31/20 to return these to the required levels for full forgiveness before filing your loan forgiveness application.

It is important to note that the deadline for filing a forgiveness application is 10 months after the last day of the borrower's covered period, and borrowers are not currently required to make any principal or interest payments. Parishes can consult their individual parish advisors or call us to discuss their individual circumstances to determine the best approach.