

# Required Documentation for borrowers filing 3508

**General note: The SBA is looking for both *proof of costs and payment*.**

## **Payroll Documents - Required**

Documentation verifying the eligible cash compensation and non-cash benefit payments from the Covered Period or the Alternative Payroll Covered Period:

- Bank account statements and third-party payroll service provider reports documenting the amount of cash compensation paid to employees. (The SBA does not specifically include internal payroll reports, but these could be acceptable in conjunction with proof of payment)

### **AND**

- Tax forms (or equivalent third-party payroll service provider reports) for the periods that overlap with the Covered Period or the Alternative Payroll Covered Period:

- IRS Payroll tax filings reported, or that will be reported (typically, Form 941)
- State quarterly tax forms

- Payment receipts, cancelled checks, or account statements documenting the amount of any employer contributions to employee health insurance and retirement plans included in the forgiveness amount

**Non-Payroll Documents *\*\*if you are not including these in your forgiveness amount, you do not need to submit them to STAR.***

Documentation verifying existence of the obligations/services prior to February 15, 2020 and eligible payments from the Covered Period.

- Business mortgage interest payments: Copy of lender amortization schedule and receipts or cancelled checks verifying eligible payments from the Covered Period; or lender account statements from February 2020 and the months of the Covered Period through one month after the end of the Covered Period verifying interest amounts and eligible payments.

- Business rent or lease payments: Copy of current lease agreement and receipts or cancelled checks verifying eligible payments from the Covered Period; or lessor account statements from February 2020 and from the Covered Period through one month after the end of the covered Period verifying eligible payments.

- Business utility payments: Copy of invoices from February 2020 and those paid during the Covered Period and receipts, cancelled checks, or account statements verifying those eligible payments.

## **FTE Documents - Required**

Documentation showing your FTE for your chosen reference period used to complete the FTE Calc & Safe Harbor tab on STAR's loan forgiveness calculator tool (PPP Schedule A, line 11 on the application if not using STAR's tool)

- Payroll tax filings reported, or that will be reported, to the IRS (typically, Form 941)

- State quarterly business and individual employee wage reporting and unemployment insurance tax filings reported

\*\*Documents submitted may cover periods longer than the specific time period.

## Documentation you must maintain, but are not required to submit at the time of application.

Information used to prepare the STAR loan forgiveness calculator tool (or PPP Schedule A worksheet if you did not use the tool) and the following:

Documentation supporting the listing of each individual employee in STAR loan forgiveness calculator, including the “Salary/Hourly Wage Reduction” calculation, if necessary.

Documentation supporting the listing of each individual employee in STAR loan forgiveness calculator specifically, that each listed employee received during any single pay period in 2019 compensation at an annualized rate of more than \$100,000.

Documentation regarding any employee job offers and refusals, firings for cause, voluntary resignations, written requests by any employee for reductions in work schedule, and any inability to hire similarly qualified employees for unfilled positions on or before December 31, 2020.

Documentation supporting the certification, if applicable, that you were unable to operate between February 15, 2020 and the end of your Covered Period at the same level of business activity as before February 15, 2020 due to compliance with requirements or guidance issued between March 1, 2020 and December 31, 2020 by the CDC, OSHA or SHHS, related to restrictions related to COVID-19. This documentation much include copies of the applicable requirements for each location and relevant financial records.

Documentation supporting the STAR loan forgiveness calculator “FTE Reduction Safe Harbor.”

**Keep all documentation for this program for six years after the date the loan is forgiven or repaid in full.**

\*\*This document is a summary of the SBA requirements. The full documentation requirements can be found in the June 16, 2020 versions of Loan Forgiveness Application Instructions for Borrowers published by the SBA. [SBA Form 3508 instructions](#)

STAR is using a lender equivalent of the SBA application and Schedule A.