




Paycheck Protection Program

# Payality's PPP Loan Forgiveness Guide EZ Application



**Paycheck Protection Program**  
PPP Loan Forgiveness Application Form 3508EZ

OMB Control No. 3245-0407  
Expiration date: 10/31/2020

Business Legal Name ("Borrower")		DBA or Tradename, if applicable	
Business Address		Business TIN (EIN, SSN)	Business Phone
		Primary Contact	E-mail Address

SBA PPP Loan Number: \_\_\_\_\_ Lender PPP Loan Number: \_\_\_\_\_

PPP Loan Amount: \_\_\_\_\_ PPP Loan Disbursement Date: \_\_\_\_\_

Employees at Time of Loan Application: \_\_\_\_\_ Employees at Time of Forgiveness Application: \_\_\_\_\_

EIDL Advance Amount: \_\_\_\_\_ EIDL Application Number: \_\_\_\_\_

Payroll Schedule: The frequency with which payroll is paid to employees is:

Weekly   
  Biweekly (every other week)   
  Twice a month   
  Monthly   
  Other \_\_\_\_\_

Covered Period: \_\_\_\_\_ to \_\_\_\_\_

Alternative Payroll Covered Period, if applicable: \_\_\_\_\_ to \_\_\_\_\_

If Borrower (together with affiliates, if applicable) received PPP loans in excess of \$2 million, check here:

Forgiveness Amount Calculation: \_\_\_\_\_

Links to download [EZ Application](#) and [Instructions](#)

## DISCLAIMER

This guide is being provided for informational purposes and is related to the payroll related items only. Clients should consult their attorney or other professional advisor for the non-payroll related expenses allowed. Final decisions regarding loan forgiveness are at the sole discretion of the lender and SBA. This guide should not be considered legal, accounting, investment or fiduciary advice.

# 3508 EZ Application Eligibility

## Eligibility Criteria 1

The Borrower did not reduce annual salary or hourly wages of any employee by more than 25 percent during the 8 week or 24 week covered (or alternative) period compared to the period between January 1, 2020 and March 31, 2020

**AND**

The Borrower did not reduce the number of employees or the average paid hours of employees between January 1, 2020 and the end of the Covered Period.

OR

## Eligibility Criteria 2

The Borrower did not reduce annual salary or hourly wages of any employee by more than 25 percent during the 8 week or 24 week covered (or alternative) period compared to the period between January 1, 2020 and March 31, 2020

**AND**

The Borrower was unable to operate during the Covered Period at the same level of business activity as before February 15, 2020, due to compliance with requirements established or guidance issued between March 1, 2020 and December 31, 2020 by the Secretary of Health and Human Services, the Director of the Centers for Disease Control and Prevention, or the Occupational Safety and Health Administration, related to the maintenance of standards of sanitation, social distancing, or any other work or customer safety requirement related to COVID-19.

# Wage Reduction Report on Payality Online

## Wage Reduction

(Same Report as the FTE Count during 24-Week or 8-week Covered Period)

From Reporting Menu, Type Loan in Title then Click Search.

Click on [PPPLoanForgiveness Link](#)

Home Documents ESS Employee HR **REPORTING** Payroll Company Time & Attendance System

STANDARD REPORTS Report Writer Saved Company Reports My Reports My Completed Reports

Category  Title  Report Type

Sub Category  Tag  Report ID

REPORT TITLE	DESCRIPTION
<a href="#">PPPLoanForgiveness</a>	

Put a check mark in Override Dates and then choose the first check date based on covered or alternative covered period chosen

**Date Selection**

Date Selection  Most Recent Pay Period

Override Dates

Begin Date

End Date

Custom Begin Date

Custom End Date

Scroll Down to Output Options and Click on Output Format and choose Microsoft Excel from the drop-down menu

**Output Options**

Output Format

Notify Me When Completed

Email Completed Report

- Microsoft Excel
- Portable Document Format (PDF)
- ASCII Text
- Comma Separated Values
- Tab Separated Values
- Microsoft Excel Data Only
- Microsoft Excel
- Microsoft Word

# PPP Loan Forgiveness Report – EZ Application Eligibility

Payality has created a single report to quickly determine if clients are eligible to submit the EZ application.

Covered (or alternative) Period: 4/16/2020-7/30/2020							January 1, 2020 - March 31,2020								
Term Date	Pay Frequency	Weeks Worked	Average Hours Per Week	Average FTE	Average Weekly Comp	Average Earnings Per Hour	Compensation	Hours During Period	Weeks Worked During Period	Average Hours Per Week	Average Earnings Per Hour	Average Weekly Comp	Avg Rate of Pay % difference	Avg Weekly Comp of Pay % difference	Avg Hours per week % Difference
	W	5	53.08	1.0	\$820.44	\$15.46	\$7,345.88	522.83	13	40.22	\$14.05	\$565.07	10.01%	45.19%	31.98%
	W	16	62.27	1.0	\$979.64	\$15.73	\$11,971.45	775.67	13	59.67	\$15.43	\$920.88	1.93%	6.38%	4.37%
	W	16	47.28	1.0	\$682.47	\$14.44	\$7,942.39	564.64	13	43.43	\$14.07	\$610.95	2.63%	11.71%	8.85%
	W	16	53.52	1.0	\$810.14	\$15.14	\$9,079.37	626.07	13	48.16	\$14.50	\$698.41	4.38%	16.00%	11.13%
	W	15	51.91	1.0	\$782.42	\$15.07	\$10,164.30	681.22	13	52.40	\$14.92	\$781.87	1.02%	0.07%	-0.94%
	W	16	40.00	1.0	\$1,000.00	\$25.00	\$13,000.00	520.00	13	40.00	\$25.00	\$1,000.00	0.00%	0.00%	0.00%
	W	16	47.71	1.0	\$695.09	\$14.57	\$5,324.80	386.64	11	35.15	\$13.77	\$484.07	5.78%	43.59%	35.74%
	W	11	43.00	1.0	\$600.97	\$13.98	\$0.00	0.00	0	0.00	\$0.00	\$0.00	0.00%	0.00%	0.00%
	W	10	39.98	1.0	\$539.68	\$13.50	\$0.00	0.00	0	0.00	\$0.00	\$0.00	0.00%	0.00%	0.00%
			438.75	9.0			\$64,828.19			319.03					

The last 3 columns of the report calculate if any hours or wages were reduced by more than 25% for the covered period. All percentages cannot be more than a negative 25% (-25.00%) to be eligible for the EZ application

Employee Name	Avg Rate of Pay % difference	Avg Weekly Comp of Pay % difference	Avg Hours per week % Difference
Employee 1	10.01%	45.19%	31.98%
Employee 2	1.93%	6.38%	4.37%
Employee 3	2.63%	11.71%	8.85%
Employee 4	4.38%	16.00%	11.13%
Employee 5	1.02%	0.07%	-0.94%
Employee 6	0.00%	0.00%	0.00%
Employee 7	5.78%	43.59%	35.74%
Employee 8	0.00%	0.00%	0.00%
Employee 9	0.00%	0.00%	0.00%

In addition, the total hours shown in the Average hours per week column for the covered period (Arrow 1) must be equal to or higher than the average hours from January 1 – March 31, 2020 (Arrow 2)

Covered (or alternative) Period: 4/16/2020-7/30/2020		January 1, 2020 - March 31, 2020					
Average Hours Per Week	Average FTE	Average Weekly Comp	Average Earnings Per Hour	Compensation	Hours During Period	Weeks Worked During Period	Average Hours Per Week
53.08	1.0	\$820.44	\$15.46	\$7,345.88	522.83	13	40.22
62.27	1.0	\$979.64	\$15.73	\$11,971.45	775.67	13	59.67
47.28	1.0	\$682.47	\$14.44	\$7,942.39	564.64	13	43.43
53.52	1.0	\$810.14	\$15.14	\$9,079.37	626.07	13	48.16
51.91	1.0	\$782.42	\$15.07	\$10,164.30	681.22	13	52.40
40.00	1.0	\$1,000.00	\$25.00	\$13,000.00	520.00	13	40.00
47.71	1.0	\$695.09	\$14.57	\$5,324.80	386.64	11	35.15
43.00	1.0	\$600.97	\$13.98	\$0.00	0.00	0	0.00
39.98	1.0	\$539.68	\$13.50	\$0.00	0.00	0	0.00
438.75	9.0			\$64,828.19			319.03



# EZ Application Eligibility Checklist

1.  The Borrower did not reduce salaries or hourly wages by more than 25 percent for any employee during the 8 week or 24 week Covered Period (or Alternative) period compared to the period between January 1, 2020 and March 31, 2020. If, yes, skip to 2. If no, did one of the following exceptions apply?

## Exceptions

- Inability to rehire individuals who were employees on February 15, 2020
- Unable to hire similarly qualified employees for unfilled positions on or before December 31, 2020
- Employee refused offer to restore hour
- The Borrower was unable to operate between February 15, 2020, and the end of the Covered Period at the same level of business activity as before February 15, 2020 due to compliance with requirements established or guidance issued between March 1, 2020 and December 31, 2020, by the Secretary of Health and Human Services, the Director of the Centers for Disease Control and Prevention, or the Occupational Safety and Health Administration, related to the maintenance of standards of sanitation, social distancing, or any other work or customer safety requirement related to COVID-19.

If any exceptions apply, go to 2.

2.  The Borrower did not reduce the number of employees or the average paid hours of employees between January 1, 2020 and the end of the Covered Period

If you determine that you are eligible, then complete the EZ application and run/download the report and returns shown on the following pages that must be submitted with the application.

# PPP Payroll Cost Report

## With Employee Detail

The reports shows the wages earned over the covered period and then calculates if an employee has earned above the 24-week wage cap of \$46,154 (a separate report for those choosing the 8-week covered period that caps wages at \$15,385 is also available).

The report then provides all eligible earnings, state unemployment, 401k employer match, subtracts any COVID-19 Sick or FMLA payments and then provides the eligible payroll cost used to determine forgiveness.

### PAYALITY DEMO INC (80000)

PPP Payroll Cost- Employee Detail: 4/20/2020-6/19/2020

Employee Name	Employee ID	CheckDt	Hours	Earnings	Above CAP	Eligible Earnings	State/Local ER Tax	401K Employer	CVD Reg	CVD CARE	CVD FMLA	Eligible Payroll Cost
James Smith	85											
		04-20-2020	88.50	\$2,453.94	\$0.00	\$2,453.94	\$2.05	\$61.35	\$0.00	\$0.00	\$0.00	\$2,515.29
		05-05-2020	88.50	\$2,453.94	\$0.00	\$2,453.94	\$0.00	\$61.35	\$0.00	\$0.00	\$0.00	\$2,515.29
		05-20-2020	88.00	\$2,433.21	\$0.00	\$2,433.21	\$0.00	\$60.83	\$0.00	\$0.00	\$0.00	\$2,494.04
		06-05-2020	80.25	\$2,222.37	\$0.00	\$2,222.37	\$0.00	\$55.56	\$0.00	\$0.00	\$0.00	\$2,277.93
		06-19-2020	88.00	\$2,436.66	\$0.00	\$2,436.66	\$0.00	\$60.92	\$0.00	\$0.00	\$0.00	\$2,497.58
<b>James Smith Totals:</b>			<b>433.25</b>	<b>\$12,000.12</b>	<b>\$0.00</b>	<b>\$12,000.12</b>	<b>\$2.05</b>	<b>\$300.01</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$12,300.13</b>
Chris Huerta	93											
		04-20-2020	86.67	\$10,517.25	\$0.00	\$10,517.25	\$0.00	\$195.50	\$0.00	\$0.00	\$0.00	\$10,712.75
		05-05-2020	86.67	\$10,517.25	\$0.00	\$10,517.25	\$0.00	\$195.50	\$0.00	\$0.00	\$0.00	\$10,712.75
		05-20-2020	86.67	\$10,517.25	\$0.00	\$10,517.25	\$0.00	\$195.50	\$0.00	\$0.00	\$0.00	\$10,712.75
		06-05-2020	86.67	\$10,517.25	\$0.00	\$10,517.25	\$0.00	\$195.50	\$0.00	\$0.00	\$0.00	\$10,712.75
		06-19-2020	86.67	\$10,517.25	\$6,432.25	\$4,085.00	\$0.00	\$195.50	\$0.00	\$0.00	\$0.00	\$4,280.50
<b>Chris Huerta Totals:</b>			<b>433.35</b>	<b>\$52,586.25</b>	<b>\$6,432.25</b>	<b>\$46,154.00</b>	<b>\$0.00</b>	<b>\$977.50</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$47,131.50</b>
<b>Grand Totals:</b>			<b>27799.55</b>	<b>\$972,985.51</b>	<b>\$12,864.50</b>	<b>\$960,121.01</b>	<b>\$484.83</b>	<b>\$13,448.94</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$974,054.78</b>

# PPP Payroll Cost Reports on Payality Online

## PPP Payroll Cost – Employee Detail.

From Reporting Menu, Type PPP Payroll in Title then Click Search.

Click on [PPP PayrollCost – EmployeeDetail link](#) (if you have chosen the 8-week covered period click on the [PPP Payroll Cost – 8 Week – Employee Detail link](#)

Home Documents ESS Employee HR **REPORTING** Payroll Company Time & Attendance System

STANDARD REPORTS Report Writer Saved Company Reports My Reports My Completed Reports

Category  Title  Report Type  Search

Sub Category  Tag  Report ID  Show All

REPORT TITLE	DESCRIPTION
<a href="#">PPP Payroll Cost - 8 week - Employee Detail</a>	For clients that will be using the 8 week forgiveness period, this...
<a href="#">PPP PayrollCost - EmployeeDetail</a>	Payment Protection Program Report - Employee Detail. 6/18/20 Upda...

Finally, choose the begin and end date of the chosen covered period

**Date Selection**

Most Recent Pay Period

Override Dates

Begin Date  End Date

Custom Begin Date  Custom End Date

- 05/22/2020 - 2020052201
- 05/08/2020 - 2020050801
- 04/24/2020 - 2020042401**
- 04/10/2020 - 2020041001
- 03/27/2020 - 2020032701
- 03/13/2020 - 2020031301





Quarterly Payroll Tax Returns are also available to download and/or print in the DOCUMENTS portal. Click on TAX DOCUMENTS and then click TITLE Name for required quarter(s). The annual 940 return is included with the 12/31/2019 documents packet

Home	<b>DOCUMENTS</b>	ESS	Employee	HR	Reporting	Payroll	Company	Time & Attendance	System
Documents Portal	My Documents	Payroll Documents	<b>TAX DOCUMENTS</b>	Notices	Miscellaneous	HR Documents	I-9 Documents	User Settings	

## Tax

Filter

### By Year

All Years **2019**  
2018

### By Document

All Types  
Tax

### By File

All Types  
PDF



LOCKED?	EDIT	» TITLE	» DESCRIPTION	» TYPE	» EFFECTIVE
		82070 20191231 - Client (PDF)	Tax documents for the period ending 12/31/2019 for company 82070.	Tax Form	12/31/2019
		82070 20190930 - Client (PDF)	Tax documents for the period ending 09/30/2019 for company 82070.	Tax Form	09/30/2019
		82070 20190630 - Client (PDF)	Tax documents for the period ending 06/30/2019 for company 82070.	Tax Form	06/30/2019
		82070 20190331 - Client (PDF)	Tax documents for the period ending 03/31/2019 for company 82070.	Tax Form	03/31/2019