



U.S. Small Business
Administration

5 Things North Dakota Small Business Owners Should Know About PPP Loan Forgiveness

As the [U.S. Small Business Administration](#) continues working with lenders to process [Paycheck Protection Program \(PPP\)](#) loan forgiveness, here are five things North Dakota small business owners should know:

1. PPP loan forgiveness is applied for through a lender, not the SBA.

- Contact your lender for forgiveness forms and required documentation. Some lenders have a special online form for processing PPP forgiveness.
 - If the lender is using the SBA forms, download them from SBA's website at www.sba.gov/paycheckprotection.
- Lenders have up to 60 days to review a PPP loan forgiveness application and the SBA has up to 90 days to review the forgiveness application once received from the lender.
- The SBA remits the amount forgiven to the lender, who must process the forgiveness payment before notifying the PPP borrower of the amount.

2. Many North Dakota PPP borrowers are eligible for a simplified PPP loan forgiveness application that can take as little as 15 minutes to complete.

Earlier in October, [the SBA and Treasury released a simpler forgiveness application](#) for PPP loans of \$50,000 or less and streamlined the PPP loan forgiveness process for a majority of the borrowers. The simplified application (SBA Form 3508S) has only seven items for a PPP borrower to verify and significantly reduces the time and paperwork needed, providing financial and

administrative relief to America's smallest businesses while ensuring sound stewardship of taxpayer dollars.

3. Businesses still need to document PPP loan money was spent on eligible expenses.

Since a key part of forgiveness for PPP loans is using the money for eligible expenses, borrowers need to provide documentation, including verification of payroll and non-payroll expenses, with the forgiveness application as required by the CARES Act. (See SBA Form 3508S instructions.)

4. The SBA has already started remittance to lenders.

The SBA began approving PPP loan forgiveness applications and remitting forgiveness payments to lenders for PPP borrowers October 2, 2020.

5. Help is available for the forgiveness process and recovery plans.

To ease small businesses through the forgiveness process and empower them to confidently move their business forward, the SBA has set up a recovery hub at www.sba.gov/recovery, with essential details, resiliency tips and connections to local assistance.

SBA's Resource Partners, [North Dakota Small Business Development Centers](#), [SCORE Mentors](#), [North Dakota Women's Business Centers](#) and the [Veterans Business Outreach Center of the Dakotas](#), provide one-on-one business advising and technical assistance to small businesses at no- or low-cost.

The SBA North Dakota District partnered with the ND SBDC to present a webinar on PPP loan forgiveness. The recording can be found here:

- [PPP Loan Forgiveness: Application Walk through and Prep](#) - June 23