

**ANDREW JOHNSON BANK-PPP
Application Checklist A**

Company / Borrower Name (Legal Name): _____
Principal Contact _____ Phone _____
Contact: Email: _____ Business Phone: _____

I. SBA Government Application

- A. Borrower Application (attach)

II Payroll Data

A. *Salaries:*

- 1 Payroll tax reports for each quarter in 2019: 940, 941, or 944
- 2 Evidence of payroll payments in February 2020 (choose one):
 - A. First quarter 2020 payroll tax report if available OR
 - B. General ledger or financial statement through February 2020, and supporting payroll records for 2020
- 3 Payroll reports for the years ended 2019, by employee, which include all pay for gross wages, including all paid time off (vacation and sick days, etc.), commissions and bonuses

- B. Calculate the average monthly payroll cost (aggregate payroll cost from 2019 for employees whose principal place of residence is the United States minus any compensation paid to an employee in excess of an annual salary of \$100,000 per year divided by 12).

C. *Healthcare Benefits*

- 1 Payments for 2019 group healthcare insurance expense (employer portion), including premiums and HSA account contributions.

D. *Retirement Benefits*

- 1 Payments for 2019 retirement plan funding expense (employer portion).

(Even if the applicant has not filed their 2019 return with the IRS, they still have to fill it out to compute the amounts below)

E. **For individuals with self-employment income who file a Form 1040, Schedule C without employees, the lender must obtain the following documentation with the PPP loan application:**

- 1 2019 Form 1040 Schedule C
- 2 2019 IRS Form 1099-MISC detailing nonemployee compensation received (box 7) invoice, bank statement, or book of record that establishes the applicant is self-employed; and
- 3 2020 invoice, bank statement, or book of record to establish the applicant was in operation on or around February 15, 2020.

For individuals with self-employment income who file a Form 1040, Schedule C that have employees, the lender must obtain the following documentation with the PPP loan application:

- 1 2019 Form 1040 Schedule C
- 2 2019 Form 941 (or other tax forms or equivalent payroll processor records containing similar information);
- 3 State quarterly wage unemployment insurance tax reporting forms from each quarter in 2019 or equivalent payroll processor records, along with evidence of any retirement and health insurance contributions, if applicable; and
- 4 A payroll statement or similar documentation from the pay period that covered February 15, 2020 to establish the applicant was in operation on February 15, 2020.

F. **For individuals with self-employment income who file a Form 1040, Schedule C without employees, use the 2019 IRS Form 1040 Schedule C line 31 net profit amount. If this amount is over \$100,000, just use \$100,000. If this amount is \$0 or less, the applicant is not eligible for a PPP loan. Divide this amount by 12 to get the average monthly net profit amount.**

G. **For individuals with self-employment income who file a Form 1040, Schedule C that have employees, calculate 2019 payroll by adding up all the following, as applicable:**

1 2019 Form 1040 Schedule C line 31 net profit amount. If this amount is over \$100,000, just use \$100,000. If the amount is less than \$0, use \$0.

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2 2019 gross wages and tips paid to employees. To calculate this, use the 2019 IRS Form 941 Taxable Medicare wages & tips (line 5c- column 1) from each quarter plus any pre-tax employee contributions for health insurance or other excluded fringe benefits, then subtract any amounts paid to any individual employee over \$100,000 annualized and anything paid to any employee whose principal place of residence is outside the US; and

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3 2019 employer health insurance contributions (health insurance component of Form 1040 Schedule C line 14), retirement contributions (Form 1040 Schedule C line 19), and state and local taxes assessed on employee compensation (primarily under state laws commonly referred to as the State Unemployment Tax Act or SUTA from state quarterly wage reporting forms).

Divide the total by 12 to get the average monthly amount.

III. **General Business Documentation**

A.

- Existing customer who has provided the following documents to the bank, proceed to IV.
- Existing customer who has not provided the following documents to the bank or a new customer

And you are incorporated:

Articles of incorporation _____
Bylaws _____
Corporate Resolution _____

And you are NOT incorporated:

Articles of Organization _____
Operating Agreement _____
Resolution _____

Note: We can submit your application without these, but cannot close your loan until these have been received.

IV. **Other COVID-19 Specific Documentation**

- A. *Document of explanation detailing how the COVID-19 pandemic has impacted your business, including the date it was first impacted.*

V. **Computation of requested loan amount, as per SBA guidance (see suggested spreadsheet information- Loan Calculation Worksheet)**

VI. **Certification of Completeness**

I certify that all information has been included to process my loan (Application Checklist A and B, and the Loan Calculation Worksheet), and understand that until all information is complete (except as noted regarding the articles of incorporation, bylaws, and corporate resolution above) that my request cannot be processed.

Signature: _____ Company Name _____

For office use only:

Employee Review _____ Complete? YES /NO.

Pending Items:

1

2

3