

# SBA Paycheck Protection Program (PPP) Loan Checklist

## Who can Apply?

Small businesses in existence prior to February 15, 2020, with 500 or fewer employees, including nonprofits, veteran organizations, self-employed individuals, sole proprietorships, and independent contractors, are eligible.

## How does it work?

The PPP provides small businesses with funds to pay up to 8 weeks of payroll costs including benefits (paid vacation/sick leave, health care coverage and retirement benefits). A portion of the funds may also be used to pay interest on mortgages, rent and utilities.

Funds are provided in the form of loans that will be **fully forgiven** if at least 75% is used for eligible payroll costs, with the remaining 25% (or less) used to pay interest on mortgages, rent and utilities. Loan payments will be deferred for six months. Any amount not forgiven will be fully amortized over the remaining 18-month period. No collateral or personal guarantees are required.

Forgiveness is based on the employer maintaining or quickly rehiring employees and maintaining salary levels. Forgiveness will be reduced if employee headcount declines, or if salaries and wages decrease.

## How do I apply?

Apply with an SBA approved lender (American Savings Bank, Bank of Hawaii, Central Pacific Bank, First Hawaiian Bank, Gather FCU (Lihue), Hawaii National Bank, HawaiiUSA FCU, Kauai Government EFCU, Ohana Pacific Bank or Territorial Savings Bank) that **you already have an account with**. If you don't have an account with any of the SBA approved lenders, additional Bank Secrecy Act regulatory compliance paperwork will be required.

## Lenders may require additional information or documentation.

In addition to the completed application, applicants may be asked to provide the below referenced documentation to expedite loan processing.

### Small Businesses (fewer than 500 employees)

- Copy of valid photo I.D. (Driver's License, State I.D. or passport) for all authorized signers.
- Proof of incorporation/formation (articles of incorporation, articles of organization, etc.)
- North American Industry Classification System ("NAICS") code (<https://www.naics.com/search/>)
- Number of employees (full-time and part-time) who reside in the U.S. Do not include independent contractors or H-2 employees.
- Payroll processor records (if used) and/or Payroll records, including:
  - IRS Form 941 (quarterly wages) or IRS Form 944 (calendar year wages)
  - Healthcare costs paid by employer
  - Retirement costs paid by employer

### Sole Proprietors, Independent Contractors, Self-Employed

- Copy of valid photo I.D. (Driver's License, State I.D. or passport) for all authorized signers.
- Proof business was in operation as of February 15, 2020.
- Form 1099-MISC for Independent Contractors.
- 2019 IRS form 1040 Schedule C and Schedule SE (or income and expenses) for Sole Proprietors and Self-Employed
- If the applicant does not have the above documentation, the applicant must provide other supporting documentation to the lender, such as bank records, documenting draws to sufficiently demonstrate the qualifying payroll amount.

### Nonprofits

- Copy of valid photo I.D. (Driver's License, State I.D. or passport) for all authorized signers.
- Taxpayer Identification Number for Authorized Signer
- IRS Form 990
- Payroll processor records (if used) and/or Payroll records, including:
  - IRS Form 941 (quarterly wages) or IRS Form 944 (calendar year wages)
  - Healthcare costs paid by employer
  - Retirement costs paid by employer

Information provided by  
State of Hawaii Department of Business, Economic Development & Tourism



While we have done our best to provide you with accurate information, SBA may be providing updated information and/or additional requirements. Please check with your SBA approved Lender.