SBA Documents Needed for CARES Act Loan Program

I. Section I – Business information
   a. Prior 3 Years Tax Returns.
   b. If a 2019 Tax Return has not yet filed, then a 2019 Profit and Loss Statement and Balance Sheet.
   c. Owners Owning 20% or more of the Business a Personal Financial Statement.
   d. Organizational documents, and if multiple owners operating agreement.
   e. Corporate By-Laws or LLC Documentation from the Secretary of State.

II. Section II – Accounting information
   a. Payroll Reports from accounting system for 02-01-2019 through most recent payroll.
   b. 2019 W-3 and W-2’s.
   c. Monthly Rent Invoice, and if no monthly invoice then a copy of the lease.
   d. Rent paid for the period 02/01/2019 through 03-31-2020.
   e. Copy of cancelled checks paying the rent above.
   f. Copies of utility bills for 02/01/2019 through 03-31-2020 along with copies of cancelled checks paying the same.
   g. From the business’s accounting software, a report showing gross receipts/sales for the periods as follows:
      i. Quarter 1 2019
      ii. Quarter 1 2020

III. Section III – Maximum Loan Request Calculation
   a. Total "compensation" paid to employees for the one year period ending on the most recent payroll paid in 2020 just prior to the loan application divided by 12 (to derive a monthly average) multiplied by 2.5 (however, no more than $100,000 of compensation for a single employee for the 12 month period can be included in the maximum loan request).
   b. Compensation is defined on Page 2.
Compensation includes:

1. Salary, wage, commission, or similar compensation;
2. payment of cash tip or equivalent;
3. payment for vacation, parental, family, medical, or sick leave;
4. allowance for dismissal or separation;
5. payment required for the provisions of group health care benefits, including insurance premiums;
6. payment of any retirement benefit; or
7. payment of State or local tax assessed on the compensation of employees; and
8. the sum of payments of any compensation to or income of a sole proprietor or independent contractor that is a wage, commission, income, net earnings from self-employment, or similar compensation and that is in an amount that is not more than $100,000 in 1 year, as prorated for the covered period

As noted above, for any employee the sum total of the above items cannot exceed $100,000 for the 12 month payroll period when calculating “Compensation”.