

Tips for Completing Your PPP Forgiveness Application

Using the Texas Capital Bank PPP Portal

Our portal will ask you questions to ensure that you will complete the correct version of form 3508 needed for your business. When you are ready to apply for forgiveness, please send us an email at TCBPayrollProtectionProgram@texascapitalbank.com. We will then provide you with a link to our portal.

PPP Loans of \$150,000 or Less

Forgiveness applications for PPP loans of \$150,000 or less using SBA form 3508S may now be submitted without any required supporting documentation. While borrowers are not required to submit documentation of expenses to Texas Capital Bank, you must retain those documents for four years in the event that the SBA requires them for a review. Additionally, borrowers must follow the rules for the forgiveness of eligible expenses as determined by the SBA in effect at the time they apply.

PPP Loans Greater than \$150,000

Borrowers with PPP loans greater than \$150,000 may apply for forgiveness using the form 3508 or 3508EZ, also accessed on our portal. Click the links below to view the forms and instructions, which will assist you in answering the questions on our portal.

- [Form 3508](#)
- [Form 3508EZ](#)
- [Form 3508S](#)

Covered Period

- You must wait at least 8 weeks after receiving your loan to apply for forgiveness. You are eligible to use any period between 8 and 24 weeks as the covered period during which you can use your loan funds, but if you choose less than 24 weeks, you will be required to prorate the salary caps according to the SBA guidance.
- Your covered period must start on the funding date. The SBA provides no exceptions to this. All expenses eligible for forgiveness must be incurred or paid during the covered period.

For Businesses with Employees, Forgivable Expenses Include:

Payroll Expenses – Many of our clients qualify for full forgiveness using qualified payroll expenses alone. To obtain full forgiveness, at least 60% of the loan amount must be spent on eligible payroll expenses.

- **Gross employees' salaries:** This is capped at \$1,923.07 per week with a maximum of \$46,154, based on the full 24-week covered period. Shorter covered periods will have reduced salary caps based on the maximum employee compensation of \$100,000 per year.
- There are special provisions and restrictions for Owner's Salaries, the inclusion or exclusion of retirement, and employer-paid insurance based on the Borrower's Entity Type of Tax Filing. Please refer to the [SBA's guide on calculating maximum loan amount](#) and to the [Paycheck Protection Program FAQ](#).

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- Employer-paid benefits of insurance and retirement may be included. Provide invoices and copies of checks or notate on your bank statements where the payments were deducted from your account.

Non-Payroll Expenses – These expenses should account for no more than 40% of the loan amount to achieve full forgiveness.


- **Rent/lease payments:** Provide invoices or a copy of your lease along with copies of checks paid, or notate on your bank statements where the payments were deducted from your account. If the borrower (lessee) and landlord (lessor) have common ownership, the only qualified forgivable expense is any interest paid in the covered period on any loan on the building, property, or equipment. (See Interest on Loans, below.)
- **Utilities:** Eligible utilities include gas, water, electricity, trash, phone, and internet. Provide invoices through the date for which you are claiming expenses, along with copies of checks or notate on your bank statements where the payments were deducted.
- **Interest on loans secured by real or personal property:** Provide bills which detail interest paid or an amortization statement from your lender detailing interest separate from principal payments. Also provide copies of checks or notate on your bank statements where the payments were deducted.
- **Operations expenditures:** Provide invoices for business software or cloud computing services that support business operations, product support, or delivery. Examples include human resource functions, sales, billing, and inventory. In addition to invoices, proof of payment is required in the form of check copies or notation on bank statements.
- **Property damage costs:** Costs associated with repairs due to damage from public disturbances in 2020 which were not covered by insurance or other compensation. Proof should include invoices and proof of payment (check copies and bank statement notations).
- **Supplier costs:** Costs associated with the acquisition of essential supplies for your business. Non-perishable supplies must have been ordered (contract or purchase order date) prior to the beginning of the chosen covered period. For perishable supplies, the contract or purchase order date can be before or during the chosen covered period. Proof includes copies of contracts and proof of payment (check copies and bank statement notations).
- **Worker protection expenditures:** Operating or capital costs associated with facilitating the adaptation of the business to the OSHA, CDC, HHS, or local government requirements for employee and customer protection. Proof of payments include invoices, check copies, and bank statement notations. This does not include the purchase of real or intangible property.

Sources for Additional Information

- The Schedule A worksheet and instructions, which are referred to in your application questions in our Loan Portal, can be found [here](#).
- The FAQ for PPP Loan Forgiveness can be found [here](#).
- If you are using a payroll service, ask them to prepare your PPP loan reports for you. Let them know the starting date (for your covered period) and the last pay period you need to include in order to achieve the most forgiveness.

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System Assistance *(Please use the Chrome browser when accessing Texas Capital Bank's PPP portal.)*

- If you have issues with the Application for Forgiveness, please email TCBPayrollProtectionProgram@texascapitalbank.com for assistance.
- To upload your supporting documents, look for the cloud icon (pictured). Click on that icon to upload. If you have more than one document to upload in a category, click on the description of the document type and a cloud will display for you to upload the additional documents. 
- Only upload the documents required for you to achieve your maximum forgiveness. **DO NOT UPLOAD SUPPORTING DOCUMENTS FOR THE 3508S FORM (FOR LOANS UNDER \$150,000).** For example, if you only used gross salaries, provide payroll reports and schedules indicating you have determined that salary above employees' and owners' caps has been deducted and bank statements where your payroll payments were deducted. You do not need to provide any other proof of expenses if you did not use them in your forgiveness calculation.
- For 3508EZ, although the supporting information is not required to be submitted to SBA, Texas Capital Bank is required to review the supporting documents. As an example, although employers' expenses for employee health insurance does not appear on the 3508EZ application, we must still validate the employee compensation number, which includes the insurance amount. You would need to complete the amount in your input and then provide proof of payment for the insurance (invoices, checks, and bank statements).

Employee Count

- How many employees did you have at the time of application and at the time of forgiveness application? This is for the SBA's use in reporting employment impact. It does not affect your Forgiveness calculation. Count every employee, full or part-time.
- You must answer two questions on Average FTE. This is explained on page 7 of the [Schedule A Worksheet](#). You are required to provide a historical average number of FTEs and the average number of FTEs you had during your covered period. This is part of your Forgiveness calculation.
- If you are requesting forgiveness of owners' compensation and included the owners in the original employee count at loan application, count the owners in the employee count at the time of the forgiveness application.
- Report Owner Salaries on the required line on Schedule A, not in the Table 1 or Table 2 numbers.

Documenting Expenses

- If you are using a payroll service, have them prepare their PPP loan reports for you. Let the payroll company know the starting date (as mentioned, your covered period) and the last pay period you need to include in order to receive the most forgiveness. If you do not have a payroll company or your payroll provider does not provide that detail, we recommend you create an Excel spreadsheet for the Schedule A Worksheet Tables. It will help you identify the employees who exceed the caps and calculate FTEs. Work through the 3508 application and instructions, and provide back-up for all claimed expenses.
- Other expenses should be documented with statements, copies of checks, or other billing documents.

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- We will review your bank statements to confirm all payments have been paid from the borrower's business account. Please notate on your bank statement where the claimed expense payments posted.

Note: This document is provided for informational purposes only. Please consult with your professional advisor if you have any questions regarding your forgiveness calculation.

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