



## **Self-Employed Seminar Checklist**

### **PPP 2, PPP 1 Forgiveness, Tax Credits Checklist**

The purpose of this checklist is that if you would like to follow along during the seminar with your own numbers, this will help you be prepared.

*You are NOT required to have these documents or numbers as I will be providing examples through out the seminar.* You will still gain the same experience based on my examples for those of you attending that are preparing such documents for your clients, and won't have specific numbers.

Reminder: You will be getting a link to the video 24 hours following the seminar that you can re-watch as many times as you would like for 30 days, and if you would like to follow along during your "re-watch" to be able to pause the video, etc. this checklist would serve well for those purposes.

3 hours before the seminar you will be able to obtain the other materials to be presented during the seminar, including the PowerPoint pdf. This is just a checklist of what to possibly bring to the seminar to save you time later.

#### **CHECKLISTS INCLUDED FOR**

##### **PPP loan 1.0 forgiveness**

- While the application process for forgiveness has been simplified, you still have to know your amount of forgiveness. There is no blanket forgiveness.

##### **PPP loan 2.0 calculation**

##### **Self-employed tax credits (combined checklist)**

Which includes:

Sick Leave Payroll Tax Credit

Employee Leave Payroll Tax Credit

# **FORGIVENESS OF PAYCHECK PROTECTION PROGRAM - ROUND 1**

## **DOCUMENTS REQUIRED TO ASSIST IN CALCULATING**

### **THE PPP LOAN 1.0 FORGIVENESS AMOUNT**

#### **THIS IS FOR INFORMATIONAL PURPOSES**

\_\_\_ PPP 1.0 Application you submitted to the bank, and the loan documents you received from the bank

- This would be the paperwork you completed and received at the time you received the PPP 1.0 loan
- You want to find the SBA PPP Loan Number and the Bank's PPP Loan Number

\_\_\_ Know the date of disbursement which should be on the PPP 1.0 loan documents

- Or the date the PPP loan 1.0 was deposited into your account

\_\_\_ 2019 Schedule C (or Schedule F) as filed with the IRS

- This is filed with your individual tax return as a supplemental schedule of Form 1040

\_\_\_ Determine if you have an EIN for your Schedule C or F (and have the EIN available if so)

- On Schedule C, look at the upper right area, box D (if blank, know that too)
- On Schedule F, look at the upper right area, box D (if blank, know that too)
  - If you have more than one PPP loan, then have both Schedule C's or F's
  - Have the same information available on both

\_\_\_ If you were NOT in business in 2019

- Then have the profit & loss statement you provided to the bank when you applied for PPP 1.0
- If you were in business in 2019, for any length of time, still obtain your Schedule C or F

\_\_\_ If you received an EIDL grant (advance) – It has no effect on the PPP forgiveness now, but you still want this

- EIDL grant (advance) amount
- When was it deposited to your account?
- The EIDL application number (which would have been provided at the end of the application submission)

## PAYCHECK PROTECTION PROGRAM - **ROUND 2**

### DOCUMENTS REQUIRED TO ASSIST IN CALCULATING THE PPP LOAN 2.0

#### **THIS IS FOR INFORMATIONAL PURPOSES**

NOTE: The new stimulus act does not require you to provide these documents if your PPP loan 2.0 is \$150,000 or less. However, regardless of the amount of your PPP loan 2.0 request amount, you will need these documents to determine the amount to request. It is very possible that your bank may require something different and that the SBA may change its requirements of what documents you are to provide after the date of the seminar on January 9, 2021. Regardless of the amount or the documents you are to provide to the bank, these are the documents I believe you need to *calculate* your PPP 2.0 loan request.

The seminar should shake out any technicalities. I have provided here as much information to help you narrow down what to bring. If you have any questions on what to have available, bring what you think to the seminar, where we should hammer is out. If you email for clarifications before the seminar, know I will address it during the seminar, as that is the purpose of the seminar. If you don't feel something is necessary, then don't bring it, and if you learn otherwise, you can grab that information later. If you think I have missed something, bring it. *Better to have more information then less.* 😊

\_\_\_ Your PPP 1.0 application, loan document *(if you already pulled with the checklist beforehand, you are set)*

\_\_\_ **2019** Schedule C (or Schedule F) as filed with the IRS *(if you already pulled with the checklist beforehand, you are set)*

- If you were not in business in 2019, then you won't have this

\_\_\_ Gross Income by Quarter for 2019 **and** 2020

- You must know your gross income for each quarter
- Many will find this amount from their Profit & Loss Statement (Income Statement or P&L)
- If you don't have that available, you will need to extract from you bank statements your gross income
- If you were not in business any of the quarters, bring what you have available
- At this time, it appears the SBA will be basing it on your true gross income, not gross profit (net of cost of goods sold)
  - It is possible, not probable, the SBA choosing allow for some exceptions. SBA guidelines are needed to know.
- What is **NOT** gross income:
  - Loan proceeds
  - PPP 1.0 proceeds
  - Money you put in the company
  - Wages you received, if you have a W-2 job
  - Unemployment you received
  - Income that is NOT related to the business
  - If you received a grant from a state, local or otherwise, you will need to review if that grant has been deemed gross income, which should have been clearly communicated. With every grant being different, I would not know
- This is the gross income of the business, and the method to be used is on a **calendar basis** and **cash basis** of accounting; which you count the gross income when you collected it. To be clear you need the following quarters gross income.
  - If you already know the quarter where your gross receipts has declined, then just have the information for it
    - 1<sup>st</sup> quarter **2019 AND 2020** (January – March)
    - 2<sup>nd</sup> quarter **2019 AND 2020** (April – June)
    - 3<sup>rd</sup> quarter **2019 AND 2020** (July – September)
    - 4<sup>th</sup> quarter **2019 AND 2020** (October – December)

## PPP 2.0 CHECKLIST CONTINUED

\_\_\_ 2020 Profit & Loss for your Schedule C or F (Unless you already prepared Schedule C or F, then have that)

- See the last page of this pdf for a sample profit & loss as a guide (very general guide)
- If you have QuickBooks, Quicken or other software, print out the income & expenses (P&L) for 2020
- You need to know what you expect your net income to be for 2020

\_\_\_ I will be addressing the issue of tax deductions reducing your net income on Schedule C or F, which reduces PPP

- You can use your 2019 Schedule C as a guide, but I will help you try to solve the following to deduct
  - Taking the home office deduction (Line 30 of Schedule C)
  - Taking mileage or vehicle expenses (Line 9 of Schedule C)
  - Depreciating, expensing assets bought in 2020, if any (Line 13 of Schedule C)
  - Others to discuss. Just a heads up. Be aware if you do these already

## **NEW TAX CREDITS**

### **THIS COVERS BOTH THE PAID SICK LEAVE TAX CREDITS & PAID FAMILY TAX CREDITS**

### **INFORMATION REQUIRED TO ASSIST IN CALCULATING THESE CREDITS THIS IS FOR INFORMATIONAL PURPOSES**

During the seminar we will do the calculations and determine the max per day, etc.

\_\_\_ This is based on your net taxable income from Schedule C or F (obtained from beforehand checklists)

\_\_\_ If applicable, identify the dates you were one of the following and unable to work:

- Diagnosed with covid-19
  - Required to quarantine by Federal, State or local law
  - You suspected you had covid-19, had symptoms, seeking medical diagnosis
  - Self-quarantined due to symptoms of having covid-19
  - Told to quarantine by a medical profession
- FYI - The max work days allowed is 10

\_\_\_ If applicable, identify the dates you had the following occur and unable to work:

- Caring for an individual with covid-19
  - Caring for an individual required to quarantine by Federal, State or local law
  - Caring for an individual suspected to have had covid-19 with symptoms
  - Caring for an individual who is self-quarantining due to symptoms of having covid-19
  - Caring for an individual told to quarantine by a medical profession
- FYI - The max work days allowed is 10

\_\_\_ If applicable, identify the dates you had the following occur and unable to work:

- Caring for a child (under 18) whose school or place of care was closed due to covid-19
  - or caring for a child (under 18) whose child care provider was unavailable due to covid-19
- FYI – A school requiring virtually learning from home does not count
- FYI – Also, the max work days allowed is 50

BUSINESS INCOME & EXPENSES	
<b>Gross Income - Collections</b>	
<b>Expenses:</b>	
Advertising, Sponsorships	
Assets Purchased for Business:	
Vehicle	
Computers, Printers, Copiers, Phones	
Equipment	
Furniture	
Real Estate, Improvements	
Automobile Expenses:	
Gas	
Tires	
Repairs	
Car Payment Interest	
Bank Charges	
Cleaning Expenses	
Credit Card Fees	
Dues & Subscriptions	
Insurance:	
Liability Insurance	
Malpractic Insurance	
Auto Insurance	
Health Insurance	
Work Comp Insurance	
Interest Expense	
Internet Fees	
Licenses & Permits	
Meals & Entertainment:	
Tickets to Events	
Business Meals	
Golf	
Outside Services (Part Time Help)	
Parking & Tolls:	
Airport Parking	
Downtown Parking	
PikePass Fees	
Payroll	
Payroll Employer Taxes	
Postage, FedEx, UPS	
Printing	
Professional Fees:	
Legal Fees	
Accounting Fees	
Consulting Fees	
Rent Expense	
Repairs & Maintenance:	
Computer Repairs	
Building Repairs	
Equipment Repairs	
Retirement Plan Contributions (Simple, SEP, IRA, 401k)	
Security	
Supplies:	
Office Supplies	
Court Supplies	
Other Supplies	
Telephone:	
Office Phone, Fax	
Cell Phone	
Travel:	
Airfare	
Hotels	
Taxi Cabs	
Promotional:	
Flowers	
Gifts to Clients / Business Professionals	
Other Expenses	
List:	
List:	
List:	
List:	
<b>Total Expenses:</b>	
<b>Net Income (Gross Collections Less Total Expenses)</b>	

**THANK YOU! -JJ**