PPP Loan Forgiveness

Live Oak is working to create a portal and resources for PPP customers to help them apply for forgiveness. This is a constantly shifting and evolving process, and Live Oak is working to understand the guidance from the Treasury and SBA. We plan to communicate with customers weekly moving forward to keep everyone updated.

PPP Borrowers can ask questions by emailing them to ppp@liveoak.bank or by calling call 866-276-0154. PPP Support Specialists are available Monday through Friday from 8:00 a.m. – 5:00 p.m. EST.

FAQs

Q: What are the latest changes to the forgiveness process?
A: The Paycheck Protection Program Flexibility Act of 2020 was passed by Congress this week and is expected to be signed into law soon. Based on what we know so far, we think most businesses will benefit by waiting additional time before applying for forgiveness. Key changes to the law include:

- Extending the 8-week covered period for loan forgiveness to 24 weeks, while permitting any borrower to choose the originally authorized 8-week period
- Requiring 60% of the loan amount to be spent on payroll (down from 75%)
- Providing 10 months after the covered period (8 or 24 weeks from loan origination) to apply for forgiveness
- Extending the deferral period for the payment of principal, interest and fees until the forgiveness process is complete and the lender is paid by SBA
- Extending the time to rehire employees until December 31, 2020 (from June 30, 2020)

There are some important exceptions and conditions on these new provisions, as well as some other changes by the new law. These changes may even result in a new forgiveness application from the SBA. The industry will need some more guidance from the SBA to understand all of the details.

Q: Can I complete my application and send it to you?
A: Please hold your application until we receive the final guidance from the Treasury. You have plenty of time to apply, so continue to gather your documentation and we will update you when we have final guidance.
Q: What if I have everything ready and want to file at the 8-week mark?
A: We have put together a team dedicated to forgiveness. Once we are ready to process your forgiveness application, I can put you in contact with the appropriate team member to start the process. We will update you as soon as the team is in place.

Q: Can you help me complete my application?
A: We advise you to consult with your CPA or your payroll provider to begin completing the required application, Schedule A worksheet and collecting supporting documentation.

Q: I don’t have a CPA, can you recommend one?
A: You can search for a CPA in your area on the AICPA website. https://www.aicpa.org/forthepublic/findacpa.html

Q: How long do I have to file for forgiveness?
A: The answer depends on your specific circumstances and some further guidance from the SBA. Generally speaking, under the new law changes you have until 10 months after your forgiveness period of 8 or 24 weeks to apply for forgiveness.

Q: I have completed my forgiveness application can I go ahead and send it to you?
A: The short answer is the process will require some patience. We are still working with the Treasury to determine what you as the borrower, and we as the lender are responsible for, so hold your application, and we will continue to keep you updated.

Q: When do I submit my application, how do I send it?
A: We have put together a team dedicated to forgiveness. Once we are ready to process your forgiveness application, I can put you in contact with the appropriate team member. We will update you as soon as the team is in place.

- We encourage you to work with your CPA and/or payroll processing provider on the forgiveness application and documentation.
- We, like the rest of the industry, are waiting for more information on this process.
- We know this process is complex, and we are working to make it as simple and efficient as possible.
- If you have questions about PPP loan forgiveness please call 866-276-0154. PPP Support Specialists are available Monday through Friday from 8:00 a.m. – 5:00 p.m. EST.