Paycheck Protection Program: SBA Form 1502 Full and Partial Forgiveness Reporting

Lenders must provide a separate <u>monthly</u> report on SBA Form 1502 (Form 1502) for all its Paycheck Protection Program (PPP) loans, regardless of whether the borrower made a payment during the report period. The month-end report period begins with the first calendar day of the prior month and continues through the last calendar day of the prior month. The PPP Form 1502 is due to the FTA via the 1502 Gateway within SBA's Capital Access Financial System (CAFS) at https://caweb.sba.gov on or before the 15th of each month, or the next business day if the 15th is not a business day. **Lenders must continue reporting on a PPP loan until the Lender reports to SBA that the loan has been fully forgiven by SBA or paid in full by the borrower. Lenders must not report a PPP loan as fully or partially forgiven until receipt of the PPP forgiveness payment from SBA. Premature reporting of PPP loan forgiveness (full or partial) may impact lenders' ability to receive payment from SBA. Failure to comply timely with Form 1502 reporting requirements may also cancel or terminate the loan guaranty, as applicable.**

A complete listing of PPP Form 1502 reporting scenarios and instructions are available on the FTA Wiki.

How do Lenders report a PPP loan as fully forgiven on Form 1502?

After a Lender receives a PPP forgiveness payment from SBA, if no loan balance remains, <u>the Lender must report</u> the PPP loan as paid in full on the next month-end PPP Form 1502.

- SBA GP Number: The 10-digit numerical SBA loan number.
- Lender Loan Number: This field is optional.
- Next Installment Due Date: Leave Blank.
- Status: Enter "6" (Paid in Full)
- Amt Disbursed this Period on Total Loan: Enter $0.00.
- Amount Undisbursed on Total Loan: Enter $0.00.
- Interest Rate: Enter 1%.
- Portion Interest: Enter the interest portion of the forgiveness payment received from SBA.
- Portion Principal: Enter the principal portion of the forgiveness payment received from SBA.
- Total to FTA: Enter $0.00.
- Interest Period From: Leave blank or report the loan disbursement date (e.g., one-time, full disbursement date or first disbursement date, if applicable).
- Interest Period To: Report the date to which interest was paid by SBA. Do not report the date the payment was received by the Lender.
- # Of Days: Leave blank or enter the number of days covered by the interest portion of the forgiveness payment received from SBA.
- Calendar Basis: Leave blank or enter the interest calendar method (i.e., 365 or 360).

- Portion Closing Balance: Enter $0.00.
- Remittance Penalty: Enter $0.00.

How do Lenders report a PPP loan as partially forgiven on Form 1502?

If a loan balance remains after a Lender receives a PPP forgiveness payment from SBA, the Lender must report the reduction in the loan balance for the forgiveness amount on the next month-end Form 1502 and service the remaining balance of the loan in accordance with PPP requirements.

- SBA GP Number: The 10-digit numerical SBA loan number.
- Lender Loan Number: This field is optional.
- Next Installment Due Date: The date the borrower is scheduled to make its first payment following SBA remittance of any partial forgiveness payment or SBA notice that no forgiveness is allowed. The date cannot be after the maturity date of the loan.
- Status: Leave Blank.
- Amt Disbursed this Period on Total Loan: Enter $0.00.
- Amount Undisbursed on Total Loan: Enter $0.00.
- Interest Rate: Enter 1% or leave blank.
- Portion Interest: Enter $0.00
- Portion Principal: Enter the principal portion of the forgiveness payment received from SBA.
- Total to FTA: Enter $0.00.
- Interest Period From: Leave Blank.
- Interest Period To: Report the date interest accrues from (e.g., one-time, full disbursement date or first disbursement date, if applicable, or interest paid-to-date as of the last borrower payment received). Do not report the date to which interest was paid by SBA, if any. The borrower is responsible for paying accrued interest from the disbursement date for any remaining loan balance after SBA remittance of any partial forgiveness payment or SBA notice that no forgiveness is allowed.
- # Of Days: Leave Blank.
- Calendar Basis: Leave blank or enter the interest calendar method (i.e., 365 or 360).
- Portion Closing Balance: Enter the remaining loan balance after SBA remittance of any partial forgiveness payment or SBA notice that no forgiveness is allowed.
- Remittance Penalty: Enter $0.00.

For **general Form 1502 questions**, please contact the FTA Client Service Team at 1502@sba.gov or via the toll-free hotline at (877) 470-0722.

Partner Information Management System (PIMS) within CAFS: PIMS is the SBA's master database for capture, maintenance, and use of contact information for ALL participants of the 7(a) loan program including Lenders, Lender Service Providers (LSPs), Pool Assemblers, Brokers / Dealers, and Investors. Please update your contact information in the PIMS database. For instructions on how to access and add your information to PIMS, please reference the PIMS Instructional Guide.

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