

## **Paycheck Protection Program (PPP) forgiveness update**

On November 18, 2020, the Department of Treasury issued more clarifications regarding the deductibility of expenses paid with PPP funds that are ultimately forgiven. The Revenue Ruling 2020-27 clarified that expenses will be non-deductible for Tax Year 2020 as long as the taxpayer “reasonably expects” that there will be debt forgiveness on the loan—even if forgiveness isn’t determined by the end of the year.

Many PPP lenders are now accepting applications for forgiveness. Please note that Congress may still make changes to this ruling as senate finance committee chairman Chuck Grassley (R-IA) and ranking member Ron Wyden (D-OR) issued a bi-partisan statement calling on the Department of Treasury to reconsider this position.

Remember, we are here to help! Forgiveness application submission is not a simple task. We can assist you to ensure your application is accurate and that you put yourself in the best position to gain maximum loan forgiveness.