

Subject: SBA Paycheck Protection Platform Update February 8, 2021

EIDL Advance Reconciliation Payments - SBA will be remitting reconciliation payments beginning February 9, 2021 through February 19, 2021 for any loan with an SBA forgiveness payment that was reduced by the amount of an EIDL Advance.

- PPP lenders are not required to request remittance of the reconciliation payment. SBA will automatically identify loans where SBA remitted a forgiveness payment to a PPP lender that was reduced by an EIDL Advance.
- The amount of the reconciliation payment will be equal to the previously-deducted EIDL Advance amount, plus interest through the remittance date. SBA will use the interest accrual method currently identified in the Forgiveness Platform.
- SBA will remit the reconciliation payment to the ACH account identified by the PPP lender of record in the Forgiveness Platform. The ACH addenda for these payments will be identical to the on-going Forgiveness payment processing.
- After processing is complete, the amount of the reconciliation payment will be displayed on the Payment Dashboard under the Adjustment column. In addition, a payment reconciliation letter will be posted in the Forgiveness Platform for your records.

The PPP Lender is responsible for notifying the borrower of the reconciliation payment. The PPP Lender is also responsible for re-amortizing the PPP loan and notifying the borrower of the amount of the next payment due or advising the borrower that the loan has been paid in full, whichever is applicable. If the amount remitted by SBA to the PPP lender exceeds the remaining principal balance of the PPP loan (because the borrower made a payment on the loan), the PPP lender must remit the excess amount, including accrued interest paid by the borrower, to the borrower.

Additional resources pertaining to the Economic Aid Act and PPP – including application forms, lender guidance, and PPP program rules – can be found on SBA's PPP [website](#) or the U.S. Treasury PPP [website](#).

Sincerely,
Office of Capital Access
U.S. Small Business Administration