



Get Relief Now

**Options for Small Business Owners
Affected by Coronavirus (COVID-19)**

As of 03/18/20

Overview of Options

- SBA Loan Deferrals
- Economic Injury Disaster Loans (EIDL)
- SBA Express Bridge Loans
- Counseling & Planning Assistance

SBA Loan Deferrals

Do you have existing SBA Loans?

7(a) Loans & Micro Loans	504 Loans
May be able to defer payments due to temporary cash flow issues	May be able to defer payments due to temporary cash flow issues
Up to six (6) consecutive months	Up to six (6) consecutive months or 20% of original loan amount (whichever is less)
Up to 90 days if 7(a) loan guarantee has been sold	
For micro loans , deferment may not cause loan to extend beyond maximum six (6) year maturity	

Action:
Call your lender

Economic Injury Disaster Loans (EIDL)

The U.S. Small Business Administration (SBA) is offering designated states and territories low-interest federal disaster loans for working capital to small businesses suffering substantial economic injury as a result of the Coronavirus (COVID-19).

Upon a request received from a state's or territory's Governor, SBA will issue under its own authority an Economic Injury Disaster Loan declaration*

**As provided by the Coronavirus Preparedness and Response Supplement Appropriations Act that was recently signed by the President.*



Administrator Jovita Carranza

Economic Injury Disaster Loans (EIDL)

Revised Criteria (as of March 17, 2020)

1. Faster, Easier Qualification Process for States Seeking SBA Disaster Assistance.

Historically	Revised
At least five small businesses have suffered substantial economic injury as a result of a disaster with at least one business located in each declared county/parish .	Only required to certify that at least five small businesses within the state/territory have suffered substantial economic injury, regardless of where those businesses are located.

2. Expanded, Statewide Access to SBA Disaster Assistance Loans for Small Businesses.

Historically	Revised
SBA disaster assistance loans only available to small businesses within the primary and contiguous counties declared by SBA.	Economic Injury Loans related to Coronavirus will be available statewide following SBA's approval of a Governor's request for an economic injury declaration.

Economic Injury Disaster Loans (EIDL)

What businesses are eligible to apply?

- Small businesses, agricultural cooperatives & aquaculture businesses
- Most private non-profit organizations



Includes:

- Businesses directly affected by the disaster
- Businesses offering services directly related to the businesses in the declaration
- Other businesses indirectly related to industries that are likely to be harmed by losses in their community

Example: Manufacturer of widgets may be eligible as well as the wholesaler and retailer of the product.

Economic Injury Disaster Loans (EIDL)

Criteria for Loan Approval

Eligibility

Applicant business must be physically located in a declared state and suffered economic injury due to the coronavirus.

Credit History

Applicants must have a credit history acceptable to the SBA.

Repayment

SBA must determine that the applicant business has the ability to repay the loan.



Economic Injury Disaster Loans (EIDL)

How much can a business borrow?

- Eligible entities may qualify for loans up to \$2 million.
- Interest rates:
 - 3.75 percent for small businesses
 - 2.75 percent for nonprofit organizations
- Terms up to 30 years.
- Eligibility for these working capital loans are based on:
 - Size & type of business (must be a small business)
 - Business' financial resources



How can loan funds be used?

- Working capital loans
- Pay fixed debts, payroll, accounts payable, and other bills that could have been paid had the disaster not occurred
- Not intended to replace lost sales/profits or for expansion

Economic Injury Disaster Loans (EIDL)

What are the collateral requirements?

- Economic Injury Disaster Loans over \$25,000 require collateral, if available
- Real estate as collateral if available
- SBA will not decline a loan for lack of collateral



Other criteria

- Applicant business must have a physical presence in the declared disaster area

Important information

- Apply online: DisasterLoan.sba.gov (Not through a bank)
- No cost to apply
- No obligation to take the loan if offered
- Applicants can qualify for an EIDL for COVID-19 disaster even if they have an existing SBA Disaster Loan
 - Loans cannot be consolidated

Economic Injury Disaster Loans (EIDL)

Ineligible Entities

- Agricultural Enterprises
 - If primary activity of the business (including its affiliates) is as defined in Section 18(b)(1) of the Small Business Act, neither the business nor its affiliates are eligible for EIDL assistance.
- Religious Organizations
- Gambling Concerns or organizations that derive more than 1/3rd of their annual gross revenue from legal gambling activities
- Casinos & Racetracks
- Lending and Investment Concerns
- Speculative Activities
- Members of Congress

Economic Injury Disaster Loans (EIDL)

Information Required

- Completed SBA loan application (SBA Form 5)
 - Apply online: disasterloan.sba.gov
 - Paper applications available: disasterloan.sba.gov/ela/Information OR
 - Call the SBA's Customer Service Center: 800-659-2955
(800-877-8339 for the deaf and hard-of-hearing)
 - Send email: disastercustomerservice@sba.gov.
- Tax Information Authorization (IRS Form 4506T)
 - Available through online application or at [IRS.gov](https://irs.gov)
- Most recent Federal Income Tax Return
 - For principals, general partners or managing member, and affiliates
 - Including all schedules
- Schedule of Liabilities (SBA Form 2202)
- Personal Financial Statement (SBA Form 413)

Filing electronically is easiest, fastest and most accurate

Economic Injury Disaster Loans (EIDL)

Additional Filing Requirements

May be requested

- If most recent Federal income tax return not yet filed:
 - Year-end profit & loss statement
 - Balance sheet
- Current year-to-date profit & loss statement
- Additional Filing Requirements (SBA Form 1368) providing monthly sales figures.

Free assistance available through SBA's Resource Partners

- Small Business Development Centers (SBDCs)
- SCORE
- Women's Business Centers (WBC)
- Veteran's Business Outreach Centers
- Local Chambers of Commerce

For the nearest office: [SBA.gov/LocalAssistance](https://www.sba.gov/LocalAssistance)

Economic Injury Disaster Loans (EIDL)

Submit Your Application As Soon As Possible

Major cause for delays: missing information

- Recheck application before submitting
- Be sure all filing requirements are complete

If more funds are needed:

- Applicants can submit supporting documents & request for increase

If less funds are needed:

- Applicants can request a reduction in the loan amount

If loan request is denied:

- Applicant will be given up to six months to provide new information and submit written request for reconsideration

Questions?

[SBA.gov/Disaster](https://www.sba.gov/disaster)