

CARES Act

Small Business Financial Assistance

EIDL Grant

EIDL Program enhancements

EBL – Express Bridge Loan Pilot Program

Small Business Debt Relief

Payroll Protection Program

Small Business Tax Provisions

NEW SBA Website

<https://covid19relief.sba.gov/#/>

VirginiaSBDC.org

Economic Injury Disaster Loan (EIDL) and EIDL Grant Expanded in CARE Acts

EIDL Grant

- submit EIDL application, ask for the advance—check box on EIDL application
- up to \$10,000 3-days after submitting an EIDL application
- does not need to be repaid under any circumstance

EIDL

- Eligibility
 - Businesses with up to 500 employees in operation as of Feb 15, 2020
 - Nonprofit organizations with fewer than 500 employees – 501c, d, e
 - Independent contractors and sole proprietors
- Loans from SBA directly
 - Waives personal guarantees and 1-year in business for advances and loans under \$200,000
 - Do not need to have sought capital elsewhere for advances and loans under \$200,000
 - No collateral for \$25k or less
 - Up to 12 month deferral
- Loan Amounts
 - Working capital loan up to \$2 million; Based on 6 months operating expenses
 - Term 30 years, 3.75%
- Uses for the loan proceeds include:
 - Payroll, working capital, operating expenses

Express Bridge Loan Pilot Program

- For businesses with an existing relationship with an SBA Express Lender
- Up to \$25,000
- Fast Turn around
- Will be repaid in part or full by proceeds from the EIDL Loan

Small Business Debt Relief Program

- immediate relief to small businesses with non-disaster SBA loans
- SBA will cover payments for six months.
- also be available to new borrowers who take out loans within six months of the President signing the bill into law

Paycheck Protection Program

- Eligibility
 - Businesses with up to 500 employees in operation as of Feb 15, 2020
 - Nonprofits, independent contractors and sole proprietors
- Loans from SBA approved banks, credit unions, and some nonbank lenders
- No collateral; no personal guarantees; do not need to have sought capital elsewhere
- Loan Amount
 - 2.5 times monthly payroll expenses Feb 15, 2019 – June 30, 2019, up to \$10m
- Uses for the loan proceeds include:
 - qualified payroll costs; rent; utilities; and interest on mortgage and other debt obligations.
- Loan Forgiveness
 - for funds used to pay 8 weeks of payroll (excluding sal in excess of \$100,000)
 - 8 weeks begins on the loan origination date
- Loan amount that is not forgiven
 - max interest rate is 4% and max term is 10 years
 - prin and int deferred for 6-12 months after disbursement of the loan

Small Business Tax Provisions

Employee Retention Credit for Employers Subject to Closure or Experiencing Economic Hardship

- Refundable payroll tax credit for 50% of wages

Delay of Payment of Employer Payroll Taxes

- 2020 Payroll tax deferment until December 2021 and December 2022