

## COVID-19: FAQ FOR VETERINARY SMALL BUSINESSES

Recent emergency stimulus legislation has provided significant federal funding through the Small Business Administration (SBA) for new loan programs to assist small businesses, independent contractors, and the self-employed, coping with the financial impacts of [COVID-19](#).

### SMALL BUSINESS LOANS

#### Disaster Assistance Loans

- *Who can apply?* Small businesses operating in states that have declared a disaster
- *How much?* Up to \$2 million available for economic injury including fixed debts, payroll, accounts payable, and other bills that can't be paid because of the disaster's impact.
- *Terms and repayment?* 3.75% interest rate with a 30 year-maximum repayment, determined on borrower's ability to repay
- *How to apply?* Online at <https://disasterloan.sba.gov/ela/Information/ApplyOnline>
- *Questions?* Contact the SBA disaster assistance customer service center at 1-800-659-2955 (TTY: 1-800-877-8339) or e-mail [disastercustomerservice@sba.gov](mailto:disastercustomerservice@sba.gov).

#### Temporary Payroll Protection Program with Forgiveness

- *Who can apply?* Small business operating on 3/15/2020 with under 500 employees
- *What about Sole-proprietors, Independent Contractors, and Self-Employed?* Eligible to apply, but there's a \$100,000 compensation limit
- *How much?* Up to \$10 million available for payroll and eligible costs. Loan amount will be 250% of your average monthly payroll costs.
- *Terms and repayment?* After 1 year, 4% interest rate for the outstanding balance that is not forgivable with 10-year maximum repayment and a one-time 6 month deferral
- *What could be forgiven?* The amount equal to what was spent on eligible costs from 2/15/2020 - 6/30/2020 reduced proportionately by: employee layoffs (unless they are rehired) and the reduction to an employee's pay by more than 25% compared to the last full quarter. This will not be counted as taxable income. SBA must provide determination within 60 days of filing.
- *How to apply?* SBA will be releasing information on how to apply for the payroll protection loan
- *How to apply for forgiveness?* SBA guidance is pending, but applicants will need to have supporting documentation to qualify, including: payroll tax filings, receipts of payments, canceled checks, etc.

#### Emergency Economic Injury Disaster Loan

- *Who can apply?* Small business operating on 3/15/2020 with under 500 employees that applied for a SBA Economic Injury Disaster loan and now need immediate cash
- *What about Sole-proprietors, Independent Contractors, and Self Employed?* Eligible to apply until 12/31/2020
- *How much?* Provides an advance of \$10,000 distributed within 3 days that is used to cover paid sick leave, payroll, rent and mortgage payments, and other repayment obligations
- *Terms and Repayment?* An applicant is not required to repay the advance even if denied the loan. Once approved, the advance amount will be reduced from the payroll protection loan forgiveness amount.
- *How to apply?* SBA will require a signed affidavit that indicates you are an eligible applicant.