



## COVID-19 Relief Loan Options Available from the U.S. Small Business Administration

Congress has passed several bills in the last few weeks to provide relief for small businesses and their employees during COVID-19. Small business owners in all U.S. states and territories may be eligible for TWO types of small business loans from the U.S. Small Business Administration (SBA): The **Economic Injury Disaster Loan** and the **Paycheck Protection Program** (see below). If you'd like counsel to help you understand the legal implications facing your business during this time or to discuss the best option to help stabilize your business for the months ahead, contact us at 678-443-2220.

### ► [Economic Injury Disaster Loan \(EIDL\)](#)

This **low-interest SBA loan** helps offset the economic injury a business has experienced due to Coronavirus (COVID-19). Here's what you need to know:

- You may be eligible to receive an advance grant of up to \$10K within three days of applying for an EIDL loan and the grant does NOT need to be paid back even if the application is denied. Grants are available until December 31, 2020
- You may receive up to \$2M in working capital loans for economic support (loan amount is based on your actual economic injury)

#### **Apply now online until December 31, 2020:**

at [www.sba.gov/disaster](http://www.sba.gov/disaster) or apply by mail by downloading the application at [https://www.sba.gov/disaster/apply-for-disaster-loan/pdfs/Business%20Loan%20Application%20\(SBA%20Form%205\).pdf](https://www.sba.gov/disaster/apply-for-disaster-loan/pdfs/Business%20Loan%20Application%20(SBA%20Form%205).pdf) and mail your application to:

U.S. Small Business Administration  
Processing and Disbursement Center  
14925 Kingsport Road, Fort Worth, TX 76155

**SBA's Disaster Customer Service at 1-800-659-2955 or [disastercustomerservice@sba.gov](mailto:disastercustomerservice@sba.gov)**

### ► [Paycheck Protection Program \(PPP\)](#)

This **forgivable, low-interest loan from SBA lenders** helps small businesses with 500 employees or less keep their workforce employed during the COVID-19 crisis. Here's what you need to know:

- You must use this loan to pay payroll costs, mortgage, interest, rent payments and utility costs
- Maximum loan amount available is 2.5 times your average monthly payroll (up to \$10M, excluding annual employee compensation of \$100K+)
- Loan rate of 0.50% for a term of 2 years (payments of principal and interest are deferred for 6 months)
- Loan amount received may be forgiven if used to cover payroll, mortgage interest, rent payments and utility costs for 8-week period after obtaining the loan AND you retain your employees AND there is no more than a 25% reduction in the payroll
- Hotel, food services or approved franchises may be eligible if there are no more than 500 employees per physical location

**Apply online starting April 3, 2020 until June 30, 2020 if you are a small business or sole proprietorship.** Self-employed individuals or independent contractors can start to apply on April 10, 2020. Apply with any SBA-approved lender. For a list of SBA lenders visit [www.sba.gov](http://www.sba.gov). To download a sample application to see what information is required, [click here](#).

**For more information visit:** <https://www.sba.gov/funding-programs/loans/paycheck-protection-program-ppp> and <https://home.treasury.gov/policy-issues/top-priorities/cares-act/assistance-for-small-businesses>

