

COVID-19 SBA LOAN: WHEN TO APPLY*

Economic Relief and Small Business Loans in the CARES act

APPLY NOW

Disaster Loan (EIDL) and Loan Advance

- Apply Now
 - No deadline, but limited funding for the \$10k advance is first come, first served
 - Apply directly through SBA website: <https://covid19relief.sba.gov/#/>
- Open to businesses with <500 employees, sole proprietors, and independent contractors
- Terms: 3.75% interest, up to 30-year repayment, 12 months no payments.
- First \$10,000 as an advance / grant, disbursed within 3 days, will not need to be repaid.
 - Up to \$200,000 maximum

APPLY IN APRIL

Paycheck Protection Program Loan (also referred to as a 7(a) loan)

- Applications will open in early April 2020
 - Applications will be through SBA-approved local banks
 - Terms: 4% interest, up to 10-year repayment, 6–12 months no payments.
- Up to 2.5X average monthly payroll costs.
- Open to businesses with <500 employees, sole proprietors, and independent contractors
- Forgivable if used to maintain payroll during the crisis or restore payroll afterward.
- Can be used to cover payroll costs, rent, mortgage, or utilities.
- Forgivable: Amount spent within 8 weeks after loan closing (approx May 1 – June 30) is forgivable if used to maintain payroll during crisis or restore payroll afterward.
- Must be spent down within 8 weeks after loan closing (approx May 1 – June 30).
- Option to roll EIDL loan into PPPL.

*Be sure to consult with a tax professional