

COVID-19 Resource Center

Stay up-to-date with meaningful information relevant to your state and business.

ECONOMIC INJURY DISASTER LOANS (EIDL)

The Economic Injury Disaster Loan Program (EIDL) can provide up to \$2 million of financial assistance (actual loan amounts are based on amount of economic injury) to small businesses or private, non-profit organizations that are suffering from economic loss directly or indirectly related to COVID-19. **The business submitting the application does not submit a loan request for a specific amount. The SBA determines the amount you will be approved for.**

**ARE YOU
AN
ELIGIBLE
BUSINESS?**

SMALL BUSINESSES MUST MEET THE FOLLOWING REQUIREMENTS:

1. 500 employees or less**
2. Has tangible net worth not more than \$15 million
3. Average net income under \$5 million or less after federal income taxes for the preceding two years prior to application

Note: If 2019 tax returns have not yet been prepared, 2018 and 2017 financial information will be accepted.

HOW TO APPLY

You can apply for these loans directly through the Small Business Administration (SBA) website. Due to the current volume of applications being submitted, it is highly recommended that forms be printed, completed and uploaded to the SBA's website as soon as possible.

INFORMATION NEEDED TO COMPLETE YOUR APPLICATION:

- SBA Form 5 – the application form
- Complete copies including all schedules of the most recent federal income tax returns for the applicant and complete tax returns including all schedules for individuals owning 20% or more of the business (items 17-19 on Schedule 5)
- IRS Form 4506T
- SBA Form 2202 – Schedule of Current Business Liabilities as of the date of the most recent balance sheet provided (See #7)
- SBA Form 413 – Personal Financial Statement – must be prepared for each person owning 20% or more of the business – Must be as recent possible (No older than 90 days)
- If the most recent federal income tax return has not been filed, a year-end profit-and-loss statement and balance sheet for the year can be internally prepared.
- Interim profit-and-loss statement and balance sheet for the current tax year as current as can reasonably be done
- SBA Form 1368 – Includes monthly sales figures for the current fiscal year and lists total sales for each month for the previous 3 years

LOAN TERMS

The SBA can provide up to \$2 million in disaster assistance to a business. There are no upfront fees or early payment penalties charged by the SBA. The repayment term will be determined by your ability to repay the loan with a maximum repayment term of up to 30 years. Interest on the loan is charged at 2.75 % for not-for-profit organizations and 3.75% for all other businesses.

*** Some business are still considered small even if they have in excess of 500 employees. [See the Table of SBA Size Standards](#) to determine if your business qualifies.*



Sax will keep you informed as important updates emerge. Reach out to your Sax advisor with questions or visit [Sax's COVID-19 Resource Center](#) for more information.