



COVID-19 Relief for Small Business

West Virginia District Office

wvinfo@sba.gov

www.sba.gov/wv

sba.gov/updates

SBA Customer Service (24/7) : 800 – 659 -2955

QUICK LINKS

Where to Find the Latest Information

- [WV District Office COVID-19 Relief PowerPoint Presentation \(slides\)](#)
- [Economic Injury and Disaster Assistance Loan and Advance](#)
- [Paycheck Protection Program Interim Rules](#)
- [Paycheck Protection Program \(PPP\) Application](#)

Economic Injury Disaster Loans

SBA Disaster Customer Service Center

(800) 659-2955

Deaf or hard-of-hearing

(800) 877-8339

sba.gov/updates

SBA's Working Capital Disaster Loans

Brief Overview

- Funds come directly from the U.S. Treasury
- You can apply directly to at disasterloan.sba.gov
- There is no cost to apply
- There is no obligation to take the loan, if offered
- The maximum unsecured loan amount is \$25,000
- Automatically deferred for 12 months
- Advance of up to \$10K is available

Applicants can have an existing SBA Disaster Loan and still qualify for an EIDL for this disaster, but the loans cannot be consolidated.

SBA's Economic Injury Disaster Loan Terms

How much can I borrow?

- Up to \$2 million
- Interest rates
 - Small Businesses 3.75%
 - Most Private, Non-Profits 2.75%
- Terms up to 30 years
- Eligibility based on the size, type of business and financial resources

How can I use the loan funds?

- Fixed debts (rent, etc.)
- Payroll
- Accounts payable
- Some bills that could have been paid had the disaster not occurred.

Eligible

Who Can Apply

- Small Businesses (under 500 employees)
- Sole Proprietors (under 500 employees)
- Cooperatives (under 500 employees)
- Employee Stock Ownership Plan (ESOP) (under 500 employees)
- Tribal small business (under 500 employees)

[SBA Small Business Size Standards](#)

Eligible

Who Can Apply

- Agricultural cooperative, aquaculture enterprise, nursery, or producer cooperative (under 500 employees)
- Business with more than 500 employees but under SBA Size Standards
- Private non-profit organization with IRS designation 501(c),(d), or (e)
OR State evidence is a non-profit one organized or doing business under State law, or a faith-based organization.

[SBA Small Business Size Standards](#)

Ineligible

Who Cannot Apply

- Illegal activity (as defined by Federal guidelines)
- Principal with a 50% + more than 60 days delinquent on child support
- Agricultural enterprise (e.g., farm) other than an aquaculture enterprise, agricultural cooperative, or nursery

Ineligible

Who Cannot Apply

- Displays of a prurient sexual nature (directly or indirectly)
- More than 1/3 of gross annual revenue from legal gambling activities
- Is in the business of lobbying
- Is a state, local, or municipal government entity and cannot be a member of Congress

Primary Criteria for Approval

- Acceptable credit history
- Ability to repay the SBA loan

Ineligible Uses of Loan

- Dividends and bonuses
- Disbursements to owners, unless for performance of services
- Repayment of stockholder/principal loans (with exceptions)
- Expansion of facilities or acquisition of fixed assets
- Repair or replacement of physical damages
- Refinancing long term debt

Ineligible Uses of Loan

- Paying down (including regular installment payments) or paying off loans provided, or owned by another Federal agency (including SBA) or a Small Business Investment Company
- Payment of any part of a direct Federal debt, (including SBA loans) except IRS obligations
- Relocation
- Other ineligible uses available [online](#).

disasterloan.sba.gov



DISCLOSURES



BUSINESS INFORMATION



BUSINESS OWNERS INFORMATION



ADDITIONAL INFORMATION



SUMMARY

STREAMLINED PROCESS REQUIREMENTS

SBA is collecting the requested information in order to make a loan under SBA's Economic Injury Disaster Loan Program to the qualified entities listed in this application that are impacted by the Coronavirus (COVID-19). The information will be used in determining whether the applicant is eligible for an economic injury loan. If you do not submit all the information requested, your loan cannot be fully processed.

The Applicant understands that the SBA is relying upon the self-certifications contained in this application to verify that the Applicant is an eligible entity to receive the advance, and that the Applicant is providing this self-certification under penalty of perjury pursuant to 28 U.S.C. 1746 for verification purposes.

The estimated time for completing this entire application is two hours and ten minutes, although you may not need to complete all parts. You are not required to respond to this collection of information unless it displays a currently valid OMB approval number.

ELIGIBLE ENTITY VERIFICATION

Choose One:

- Applicant is a business with not more than 500 employees.
- Applicant is an individual who operates under a sole proprietorship, with or without employees, or as an independent contractor.
- Applicant is a cooperative with not more than 500 employees.
- Applicant is an Employee Stock Ownership Plan (ESOP), as defined in 15 U.S.C. 632, with not more than 500 employees.
- Applicant is a tribal small business concern, as described in 15 U.S.C. 657a(b)(2)(C), with not more than 500 employees.
- Applicant is a business, including an agricultural cooperative, aquaculture enterprise, nursery, or producer cooperative, that is small under SBA Size Standards found at <https://www.sba.gov/size-standards>.
- Applicant is a business with more than 500 employees that is small under SBA Size Standards found at <https://www.sba.gov/size-standards>.
- Applicant is a private non-profit organization that is a non-governmental agency or entity that currently has an effective ruling letter from the IRS granting tax exemption under sections 501(c),(d), or (e) of the Internal Revenue Code of 1954, or satisfactory evidence from the State that the non-revenue producing organization or entity is a non-profit one organized or doing business under State law, or a faith-based organization.

Other Information Required

12 months prior to Jan 31, 2020

- Gross Revenues
- Cost of Goods Sold
- Lost Rents (for rental property owners)
- Cost of Operating Expenses (for nonprofits)
- Other reimbursement will receive (i.e. business interruption insurance)
- Number of employees

Advance

Up to \$10K depending on # of employees

I would like to be considered for an advance of up to \$10,000.

Where to Send Funds

Bank Name *

Account Number *

Routing Number *

Advance funds will be made available within three days of a successful application. This loan advance will not have to be repaid.

Likely Requested

By Your Loan Processor

- SBA Loan Application (SBA Form 5 or 5C)
- Personal Financial Statement (SBA Form 413)
- Schedule of Liabilities (SBA Form 2202)
- Tax Information Authorization (IRS Form 4506T)

[Link to Forms](#)

The image shows the front page of the U.S. Small Business Administration Disaster Home / Sole Proprietor Loan Application form. The form is titled "U.S. Small Business Administration DISASTER HOME / SOLE PROPRIETOR LOAN APPLICATION" and includes a header with the SBA logo and the date "10/1/2013". The form is divided into several sections: "ARE YOU APPLYING FOR", "INFORMATION ABOUT THE APPLICANT(S)", "CONTACT INFORMATION", "BUSINESS PROPERTY ADDRESS", "BUSINESS PROPERTY INFORMATION", "BUSINESS INFORMATION", and "BUSINESS INFORMATION". Each section contains various fields for personal and business details, such as names, addresses, phone numbers, and checkboxes for business status and disaster impact.

May Be Requested

- Federal income tax returns (with schedules) for principals, general partners or managing member, and affiliates for 3 years
- If the most recent Federal Income Tax Return has not been filed, a year-end profit-and-loss statement and balance sheet for that tax year
- A current year-to-date profit-and-loss statement
- Additional Filing Requirements (**SBA Form 1368**) providing monthly sales figures.

[Link to Forms](#)

General Information

- If more funds are needed, applicants can submit supporting documents and a request for an increase.
- If less funds are needed, applicants can request a reduction in the loan amount
- If the loan request is denied, the applicant will be given up to six months in which to provide new information and submit a written request for reconsideration
- For Phase I processing, only losses of six months or less are eligible for the more expedited type of loan processing

When in doubt, apply!

EIDL FAQs

How long will it take to know if I am approved for a loan?

We are processing applications as soon as possible.

If a business currently has an SBA-backed loan and it fears it will not be able to make the payments, what course of action should it take?

Disaster loans from previous disasters that are still being payed back will now have their payments deferred through the end of 2020.

Who is authorized to offer EIDL?

SBA offers direct loans through its Economic Injury Disaster Loan program. Traditional SBA backed loans are still available via banks as well. To find an SBA-approved lender, visit sba.gov/lendermatch.

EIDL FAQs

How does a business define an impact and/or loss for this? Is there a percentage, dollar amount, etc.?

A business needs to define its loss in comparison to its 2019 operations/financials. Losses will be compared to the effective incident period starting on January 31, 2020. Just a loss needs to be reported; there is no threshold of a percentage or dollar amount.

Paycheck Protection Program

PPP

Brief Overview

- The Paycheck Protection Program provides small businesses with funds to pay up to 8 weeks of payroll costs including benefits
- Funds can also be used to pay interest on mortgages, rent, and utilities
- Entire loan amount may be forgiven

Important Details

- Up to \$10M
- Must be a small business (fewer than 500 employees) or
 - Eligible non-profits (501c3)
 - Veterans organizations (501c19)
 - Tribal businesses (31b2C)
 - Sole proprietorships
 - Self-employed
 - Independent contractors
- Starts April 3 & April 10
- Available until June 30

[SBA Size Standards](#)

Payroll Costs (75%)

8 Weeks

- Salary, wages, commissions, tips (capped at \$100K per employee)
- Employee benefits including costs for vacation, parental, family medical or sick leave
- State and local taxes assessed on compensation
- Most will use average monthly in 2019 (capped at \$100K per)
- For Sole Proprietors: wages, commissions, income, or net earnings from self-employment (capped at \$100K)
- Seasonal businesses: average monthly Payroll Costs between Feb 15 and Jun 30 (capped at \$100K per)
- New Business: average monthly Payroll Costs from Jan 1 to Feb 29 (capped at \$100K per)

Other Eligible Costs (25%)

Obligated Before February 15

- Rent under lease agreements
- Utilities
- Interest on mortgage obligations
- Interest on “any other debt obligations that were incurred before Feb 15”

Lenders Will Verify

Documentation

- Your business was in operation on February 15
- Your business had employees
- Verify average monthly payroll costs

Other Requirements

- Collateral required? NO
- Personal Guaranty? NO
- SBA Fees? NO
- Agent fees? NO

Forgivable

3 Conditions

- Loan proceeds covered approved costs
- Employee numbers maintained
- Compensation levels are maintained

How to Request Loan Forgiveness

- Submit a written request to your lender.
- Request should include documents verifying:
 - Full Time equivalent employees
 - Employee pay rates,
 - Payments on eligible mortgage
 - Payments on lease
 - Payments on utilities
- Lender has 60 days to reply

If Your Loan Is Not Forgiven

- 2-year repayment term
- 1% interest rate
- 6 months deferral
- Interest will accrue 6-month period
- No prepayment penalties

Ineligible

- Engaged in any illegal activity
- You are a household employer
- An owner with more than 20% (within the last 5 years) is
 - incarcerated,
 - on probation,
 - on parole,
 - presently subject to indictment,
 - criminal information,
 - arraignment
 - has been convicted of a crime
- Currently delinquent or defaulted within the last 7 years, on a direct or guaranteed loan from SBA or any other federal agency
- Suspended or Debarred
- Otherwise ineligible in SBA 50 10

Other Questions

Will NOT Make Ineligible

- Business or any owner have common management with any other business?
 - If yes, attach a listing of all Affiliates and describe the relationship as Addendum A.
- Has the Business received an SBA Economic Injury Disaster Loan between January 31, 2020 and April 3, 2020?
 - If yes, provide details on a separate sheet identified as addendum B.

How Much Can I Request?

1. Aggregate payroll costs from the past 12 months
2. Subtract compensation in excess of an annual salary of \$100K
3. Calculate average monthly payroll costs \div 12
4. Multiply average payroll costs by 2.5
5. Add any outstanding EIDL loan (from Jan 31 to Apr 3)
MINUS any Advance

Annual Payroll = \$120,000

Average Mo. Payroll = \$10,000

Multiply by 2.5 = \$25,000

Add EIDL loan of \$10,000 = \$35,000

Maximum Loan = \$35,000

How Do I Apply?

Finding An Approved Lender

- Contact your local bank and ask if they're participating
- Go to www.sba.gov/wv and click on [WV Resource Guide](#)
SBA lenders are listed on pages 27-32

Links to Important Information

- [P3 Overview](#)
- [Borrower Information](#)
- [Lender Information](#)
- [The P3 Application](#)

SBA Debt Relief

Current Debt Relief

The SBA Debt Relief program will provide a reprieve to small businesses as they overcome the challenges created by this health crisis.

Under this program:

- The SBA will pay the principal and interest of **current 7(a) loans** for a period of six months.
- The SBA will also pay the principal and interest of **new 7(a) loans** issued prior to September 27, 2020 for a period of 6 months.
- SBA will pay the principal and interest of the lender portion of **504** loans for a period of six months.
- SBA will pay the principal and interest of SBA **microloans** for a period of six months.

Assistance From SBA Partners

Free assistance with reconstructing financial records, preparing financial statements and submitting the loan application is available from any of SBA's partners: Small Business Development Centers (SBDCs), SCORE, Women's Business Centers (WBC), and Veteran's Business Outreach Centers and local Chambers of Commerce.

For the nearest office, visit: <https://www.sba.gov/local-assistance>



<https://wvsbdc.com/>

West Virginia District Office



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WEST VIRGINIA DISTRICT OFFICE

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West Virginia District Office

320 West Pike Street Suite 330

Clarksburg, WV

Phone: 304-623-5631

Locations:

Clarksburg | Charleston

About Us

The West Virginia District Office is located at 320 West Pike Street, Suite... [MORE >>](#)

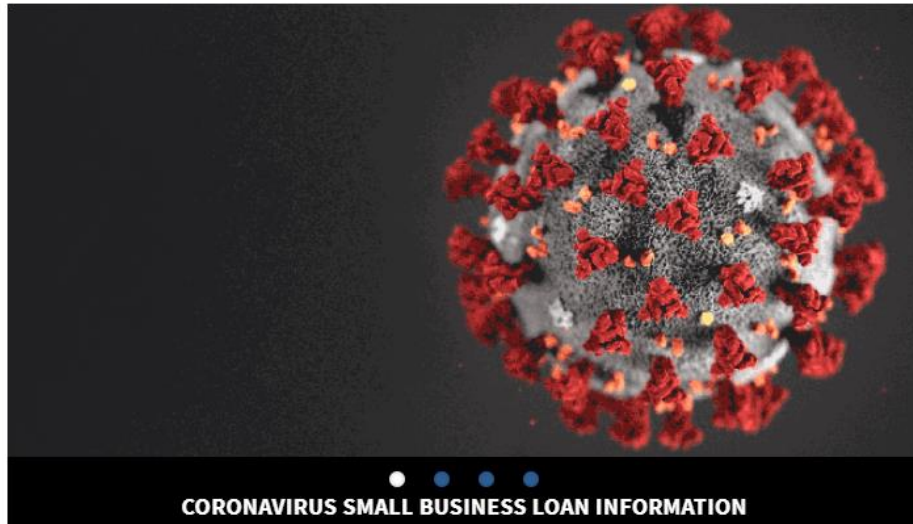
District Director: Karen Friel

[Office Directory](#)

Resource Guide

[West Virginia District Office Resource Guide](#)

[National Resource Guide \(En Español\)](#)



CORONAVIRUS SMALL BUSINESS LOAN INFORMATION



U.S. Small Business
Administration

West Virginia District Office
wvinfo@sba.gov
www.sba.gov/wv