



U.S. Small Business
Administration

COVID-19 Relief for Small Business

Slides at: www.sba.gov/wv

WV Small Business Economic Injury Disaster Loan Information

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](#)
- [Faith Based information](#)
- [WV Resource Guide Lender List \(Pages 27-32\)](#)

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
- Automatically deferred for 12 months
- Advance of up to \$10K is available (based on # of employees)

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

What are the interest rates?

- 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, utilities, 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) includes agricultural cooperatives
- Employee Stock Ownership Plan (ESOP) (under 500 employees)
- Tribal small business (under 500 employees)

Eligible

Who Can Apply

- Aquaculture and nursery businesses
- Business with more than 500 employees but under SBA Size Standards
- Private non-profit organization with IRS designation 501(c),(d), or (e)
- OR private non-profit with evidence that is organized or doing business under State law
- Faith-based organizations

[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
 - Will accept Credit Score of...
- Ability to repay the SBA loan
 - Determined on a case-by-case basis
 - Can your business, with your current debts, also repay this 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 or paying off loans provided by SBA or another Federal agency
- Payment of any part of a direct Federal debt 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
- If not applicable to your business, enter \$0.

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.

May Be 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)

The image shows 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 section for "ARE YOU APPLYING FOR" with checkboxes for "Disaster Home" and "Sole Proprietor". It is divided into several sections: "INFORMATION ABOUT THE APPLICANT" (Primary and Joint Applicant), "CONTACT INFORMATION" (Home, Business, and Mobile), "BUSINESS PROPERTY ADDRESS" and "BUSINESS PROPERTY INFORMATION", and "BUSINESS INFORMATION" (Primary and Joint Applicant). The form contains numerous fields for names, addresses, phone numbers, and checkboxes for various business and disaster-related questions.

May Be Requested

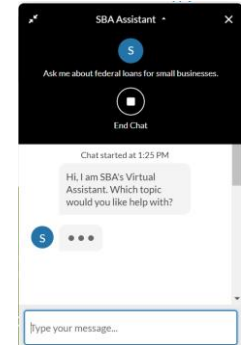
- Federal income tax returns (with schedules) for principals, general partners or managing member, and affiliates for 3 years
- If the most recent Federal Income Tax Return has not been filed, a year-end profit-and-loss statement and balance sheet for that tax year
- A current year-to-date profit-and-loss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

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 2 months are eligible for the more *expedited* type of loan processing

When in doubt, apply!

EIDL FAQs



How can I check on my loan status?

- Check in with the **SBA Assistant** at <https://disasterloanassistance.sba.gov/s/>
- Mailed Application? Call SBA Customer Service 800 – 659 -2955.
- Emailed Application? **Please re-apply** through the covid19relief.sba.gov website.
- Online application (old) and no contact from SBA? If your application has not been decisioned by SBA, then **please re-apply** through the covid19relief.sba.gov website.
- Online application and contacted by SBA? If you have been contacted by SBA that your loan application has been decisioned, then you may check the status of your Economic Injury Disaster Loan through disasterloan.sba.gov.

EIDL FAQs

What if I already have a disaster loan?

Disaster loans from previous disasters that are still being payed back will now have their payments deferred through the end of 2020. You are still eligible for a new EIDL disaster loan.

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/wv (Resource Guide – page 27-32).

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
- Do not include federal payroll costs *paid by employer*
- 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” (see page 15 of interim rule)

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,
 - Interest Payments on eligible mortgages
 - 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 or calendar year 2019
2. Subtract cash 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. IF you applied for EIDL from Jan 31 to Apr 3, you can transfer that to a PPP loan **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.
- If they are not, go to www.sba.gov/wv and click on [WV Resource Guide](#) and identify another lender who may be accepting application from new customers.
- See a full list of SBA lenders are listed on pages 27-32.
- Each District Office has a state Resource Guide with similar information.

FAQs

Do I have to choose one or the other?

No. You can apply for both. You just cannot use funds from both programs for the same purpose.

Example: For Apr 15-Jun 15, you use PPP funds for payroll this payroll period. If you have an EIDL loan, too then you must use the EIDL funds for a different payroll period or for a different (working capital) purpose.

The application period for PPP loans runs through June 30, 2020, but the EIDL application period runs through December 2020. If you have working capital need beyond what is provided by PPP, you can apply for additional assistance through the EIDL program.

FAQs

What rules can I and my lender rely on, as the Final Rules have not been published?

In an April 7 FAQ, the U.S. Treasury Department stated that “the U.S. Government will not challenge any lender PPP actions that conform to this guidance [i.e. the April 7 FAQ] and to the PPP Interim Final Rules and any subsequent rulemaking in effect at the time.”

How much calculating does my lender have to do when I submit my request?

According to the April 6 FAQ, “[p]roviding an accurate calculation of payroll costs is the responsibility of the borrower, and the borrower must attest to the accuracy of those calculations. Lenders are expected to perform a good faith review, in a reasonable time, of the borrower’s calculations and supporting documents. The level of diligence by a lender should be informed by the quality of the supporting documents supplied by the borrower.”

[Treasury FAQs for Lenders](#)

Links to Important Information

- [Find an Eligible Lender](#)
- [P3 Overview](#)
- [Borrower Information](#)
- [Lender Information](#)
- [The P3 Application](#)
- [Faith Based Information](#)

Question	Economic Injury Disaster Loan	Payroll Protection Program
Application	disasterloan.sba.gov	Contact your lender
Eligibility	<p>Under 500 employee and a:</p> <ul style="list-style-type: none"> • Small Business • Sole Proprietor • Cooperatives includes agricultural cooperative • Employee Stock Ownership Plan (ESOP) • Tribal small business • Aquaculture and nursery business • 501(c), (d), or (e) nonprofits • State-based private non-profit • Faith-based organization • Business under SBA Size Standards 	<p>Under 500 employers and a:</p> <ul style="list-style-type: none"> • Small Business • 501c3 Nonprofit • 501c19 Veteran's Organization • 31b2C Tribal Business • Sole proprietorship • Self-employed • Independent contractor
Approved Uses	<p>Working Capital, which includes:</p> <ul style="list-style-type: none"> • Fixed debts (rent, utilities, etc.) • Payroll • Accounts payable • Some bills that could have been paid had the disaster not occurred 	<ul style="list-style-type: none"> • 8-Weeks of payroll costs • Rent, Utilities, Interest on Debts
Terms	<ul style="list-style-type: none"> • 3.75% • Up to 30 years 	<ul style="list-style-type: none"> • Forgivable if used for 75% payroll costs and 25% for rent, utilities, interest costs • If not forgiven, 1% interest for 2 years

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.

- The SBA will pay the principal and interest of **current 7(a) loans** for a period of 6 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 6 months.
- SBA will pay the principal and interest of SBA **microloans** for a period of 6 months.
- **CONTACT YOUR LENDER.**

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>

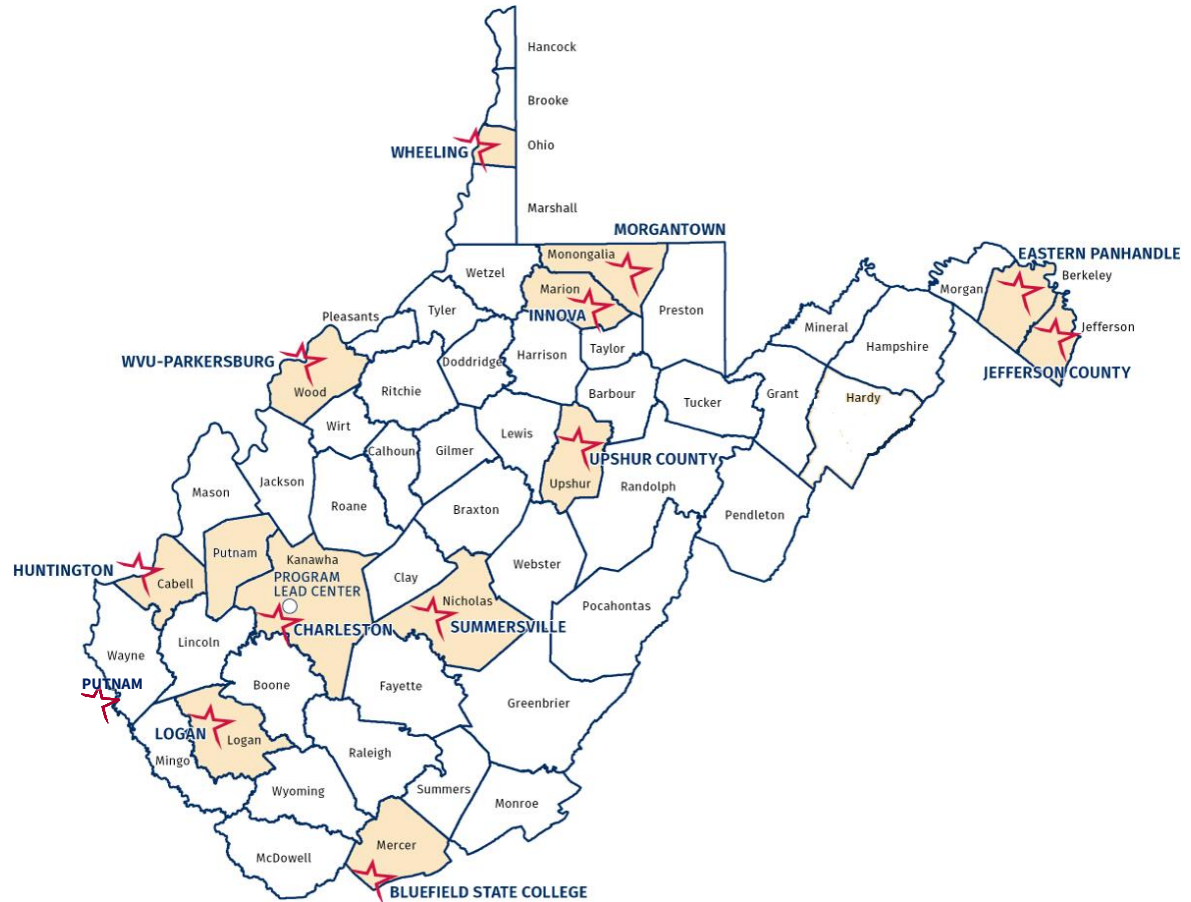


<https://wvsbdc.com/>

West Virginia Small Business Development Center



- Assistance in calculations needed for application
- Advice for business continuity
- Marketing advice during the pandemic



Find a WV SBDC Business Coach
near you

Visit us at
WWSBDC.com/Coaches

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](#)

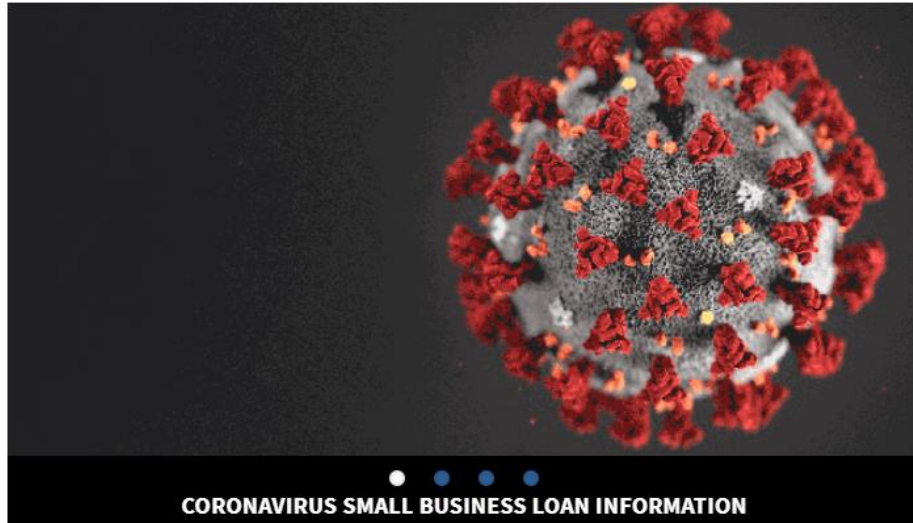
About Us

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