

HOW DOES THE CARES ACT AFFECT SMALL BUSINESSES?

See Below for Frequently Asked Questions by Small Businesses That Have Been Impacted By The
Coronavirus and Helpful Answers

Is your small business struggling due to the recent coronavirus epidemic?

- Your business may be eligible for a new Paycheck Protection Loan.
- This 4% interest rate loan is 100% guaranteed by the SBA.

Who is eligible?

- Businesses and 501(c)(3)s with less than 500 employees.

Where can you get this loan?

- Any existing SBA lenders and any lenders that are brought into the program through the Treasury.
- You should talk to your preferred financial lender to see if they qualify.

What can you use the loan amount for?

- Payroll costs
- Group health care benefits
- Employee salaries
- Interest on any mortgage obligation
- Rent
- Utilities
- And any other debt obligations occurred before Feb. 15, 2020.

How much can you borrow?

- The maximum amount is the lesser of \$10 million or 2.5 times the average monthly payroll based on last year's payroll.

How long will it take to receive the money?

- The SBA has authorized lenders to process, close, and service loans without SBA approval, giving you the means to invest in your business immediately.

What if you can't pay it back?

- First, all payment on principle, interest, and fees will be automatically deferred for six months.
- Second, for businesses that retain their staff up until June 30, 2020, this loan will be forgiven.

Can the entire loan be forgiven?

- No, only the portion of the loan used to cover payroll costs, mortgage interest, rent, and utilities can be forgiven.
- In addition, only 8 weeks can be forgiven.

Other useful resources:

- [Full text of the final bill](#)
- [Section-by-section summary of the bill](#)