

## SBA Economic Injury Disaster Loan Application Process

The U.S. Small Business Administration (SBA) is offering low-interest Economic Injury Disaster loans for working capital to small businesses suffering substantial economic injury as a result of the Coronavirus (COVID-19). There is no cost to apply for the loan and there is no obligation to take the loan if offered. Eligible entities may qualify for loans up to \$2 million. The SBA will take real estate as collateral when it is available. The maximum unsecured loan amount is \$25,000. The interest rate for this disaster is 3.75% for small businesses with terms up to 30 years. Eligibility for these working capital loans are based on the size (must be a small business) and type of business and its financial resources.

These working capital loans may be used to pay fixed debts, payroll, accounts payable, and other bills that could have been paid had the disaster not occurred. The loans may not be used to refinance existing loans and are not intended to replace lost sales or profits or for expansion.

(source – U.S. Small Business – Office of Disaster Assistance -Field Operations Center – East)

### Basic Filing Requirements:

- Completed SBA loan application (SBA Form 5) or (SBA Form 5C for Sole Proprietorship)
- Tax Information Authorization Form for the applicant, principals and affiliates (IRS Form 4506T)
- Complete copies of the most recent Federal Income Tax Return (**only required for loan applications > \$500K**)
- Schedule of Liabilities (SBA Form 2202)
- Personal financial statement (SBA Form 413)

*Note: Other information that may be required.*

- Complete copy, including all schedules, of the most recent Federal income tax return for principals, general partners or managing member, and affiliates (see filing requirements for more information).
- 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. (This is especially important for Economic Injury Disaster Loans.)

## Information Required to complete the loan application on page 2-3.

### SBA Form 5 – Disaster Business Loan Application

- Legal Name (must be exactly the same as show on tax forms)
- Trade Name
- Address
- Phone Number
- Federal E.I.N.
- Type of Business
- Amount of Loan Request
- Under Current Management Since Date
- Date Business Established
- Number of Employees
- Name, Title, Social Security Number, Telephone number, % ownership, Birthdate and Place of Birth for each sole proprietor; limited partner who owns 20% or more interest and general partner; stockholder owning 20% or more voting stock.
- Organization type

### IRS Form 4506T

- Name (must be exactly the same as shown on tax forms)
- Social Security Number on tax return, individual taxpayer identification number, or employer identification number
- Current name and addressed
- Previous address shown on last return filed if different than current address
- Customer file number (optional)
- Transcript Requested – Tax form number (1040), 1065, 1120, etc.)
- Year(s) or Period(s) requested

### SBA Form 1368 –Monthly Sales Figures (may be required)

- Monthly Sales Figures beginning 3 years prior to the disaster and continuing through the most recent month available. (Note – figures each year should reconcile to the sales figures on your tax returns for the corresponding fiscal year)
- Optional (recommended) Financial forecast for income and expense during the period affected by the disaster until normal operations resume.
  - Net Sales
  - Cost of Goods Sold
  - Gross Profit
  - Expenses
  - Net Profit/Loss before Income taxes

### **SBA Form 2202 – Schedule of Liabilities**

- Name of Creditor
- Original Amount of Note, Mortgage or Accts. Payable
- Original Date of Note, Mortgage or Accts. Payable
- Current Balance
- Maturity Date (note if current or delinquent)
- Payment Amount per month or year
- How Secured

### **SBA Form 413 – Personal Financial Statement**

- Name
- Address
- Business Name
- Home and Business Phone
- List of all assets
- List of all liabilities and contingent liabilities
- List of all sources of Income – Salary, investment income, real estate income
- List of notes payable to banks and others – Names and Addresses of noteholders, original balance, current balance, payment amount, payment frequency, type of collateral secured
- List of stocks and bonds – number of shares, names of securities, cost, market value, date of quotation, total value
- List of real estate owned – address, date purchased, original cost, present market value, mortgage holder, amount of payment per year
- List of other property and assets
- Describe any unpaid taxes
- List life insurance policies

### **How to Apply - Contact your local SBDC for assistance with the loan application process**

1. Online at <https://disasterloan.sba.gov/ela>
  - Create login ID and password
  - Be sure to click **Economic Injury** as the type of loan that is being applied for.
2. Paper loan applications can be downloaded at [www.sba.gov/disaster](http://www.sba.gov/disaster). Completed applications should be mailed to: U.S. Small Business Administration, Processing and Disbursement Center, 14925 Kingsport Road, Fort Worth, TX 76155
3. Loan information and application forms may also be obtained by calling the SBA's Customer Service Center at 800-659-2955 (800-877-8339 for the deaf or hard of hearing) or by sending an email to [disastercustomerservice@sba.gov](mailto:disastercustomerservice@sba.gov).