

CARES Act Program Comparison

The Small Business Administration (SBA) is offering loans to businesses during the COVID-19 pandemic. Businesses can apply for the Paycheck Protection Program beginning April 3 through local lenders and the Economic Injury Disaster Loans at any time on the [sba.gov](https://www.sba.gov) website. Please consult with your CPA or financial advisor to explore your options and eligibility. You may also find free, confidential business advice from [SCORE](https://www.score.org), a non-profit organization and partner of the SBA.

	Paycheck Protection Program (PPP)	SBA Economic Injury Disaster Loan (EIDL)	EIDL Emergency Grants
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.	Economic Injury Disaster Loan is available to small businesses and private, nonprofit organizations to help alleviate economic injury caused by the Coronavirus (COVID-19). This will apply to current and future disaster assistance declarations related to Coronavirus.	This loan advance will provide up to \$10,000 of economic relief to businesses that are currently experiencing temporary difficulties
Maximum Loan Amount	2.5x monthly payroll costs capped at \$100K per employee, maximum of \$10M per power borrower	Up to \$2,000,000	Grant of up to \$10,000
Eligible Borrowers	<ul style="list-style-type: none"> Businesses with fewer than 500 employees, sole proprietors, independent contractors, self-employed individuals. Paid taxes on employees or independent contractors. Started before February 15, 2020 Click here for SBA size standards	<ul style="list-style-type: none"> Businesses with fewer than 500 employees, sole proprietors, independent contractors, self-employed individuals. Started before January 31, 2020 Click here for SBA size standards	Those eligible for an EIDL and who have been in operation since January 31, 2020, when the public health crisis was announced.
Use of Proceeds	<ul style="list-style-type: none"> Payroll Interest on mortgage payments (principal or prepayments excluded) Rent Utilities Interest on any other debt incurred prior to Feb 15, 2020 <p>8 weeks of eligible payroll, mortgage interest/rent, and utility expenses between February 15, 2020 and June 30, 2020</p> <p>Subcontractors are not included.</p>	<ul style="list-style-type: none"> Payroll Rent Utilities Interest on debt incurred Accounts payable Some bills that could have been paid had the disaster not occurred 	<p>Any allowable purpose for a loan made under Section 7(b)(2):</p> <ul style="list-style-type: none"> Provide sick leave to employees unable to work due to direct effect of COVID-19 Maintain payroll to retain employees during business disruptions Meet increased costs to obtain materials unavailable from applicant's original source due to interrupted supply chains Make rent or mortgage payments Repay obligations that cannot be met due to revenue loss

Disclaimer: The information provided is for general information purposes only and not intended to provide financial or legal professional advice or to be substituted as such. Please consult with your CPA or financial advisor to explore your options and eligibility. You may also find free, confidential business advice from [SCORE](https://www.score.org), a non-profit organization and resource partner of the SBA.

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Collateral / Personal Guarantee	Waived	Personal guarantee required Will take collateral	Waived
Affiliation	Applicable	Applicable	Waived
Credit Elsewhere	Waived	Waived	Waived
Forgivable	<p>Yes, up to 100%. Forgiveness of indebtedness of an amount equal to the sum of the qualified costs incurred and payments made during the covered period (8-week period following loan origination).</p> <p>Reasons loan forgiveness is reduced:</p> <ul style="list-style-type: none"> • Reduction employees • Reduction in wages paid to any employee greater than 25% (except reductions in wages of employees over \$100,000) • Not returning employees to work or restoring wages to levels on February 15, 2020 (if the employee is laid off or furloughed, or wages are reduced prior to April 25, 2020) 	No	Yes, Grant
Interest	0.5 to 1% for non-forgiven portion	3.75%	N/A
When are funds available	PPP loans can be received the same day as applied	EIDL loans must be approved by SBA as they are processed.	Emergency grant is available within three days
Repayment	Payments and interest deferred at six months	Payments deferred for 1 year	N/A
Term	2 years for non-forgiven portion	Up to 30 years	N/A
How to Apply	Complete the PPP application and submit the application with the required documentation to an approved lender that is available to process your application by June 30, 2020. Click here for the application. Consult with your local lender as to their participation or visit www.sba.gov for a list of SBA lenders.	<p>To apply for an EIDL online, visit https://covid19relief.sba.gov/#/</p> <p>Consult with your local lender as to their participation or visit www.sba.gov for a list of SBA lenders.</p>	<p>To apply for an EIDL online, visit https://covid19relief.sba.gov/#/</p> <p>Consult with your local lender as to their participation or visit www.sba.gov for a list of SBA lenders.</p>
Additional Notes	Businesses can apply for both programs. However, EIDL funds cannot be used for the same obligations as PPP loans: payroll, mortgage interest/rent, or utility bills.		

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