Information for Small Businesses Navigating the COVID-19 Outbreak

Below is an overview of the federal resources that are available now or will soon be available to Idaho's small businesses impacted by the COVID-19 outbreak. Additional information will be provided as it becomes available.

SBA Economic Injury Disaster Loan (EIDL) Available NOW

- **Eligibility:** Small businesses, small agricultural cooperatives, and private non-profit organizations.
- **Cap:** $2 million
- **Turnaround Time:** 3-6 months
- **Forgiveness:** None
- **Interest:** The interest rate for small businesses is 3.75% and for non-profits is 2.75%.

NOTE: Any business that applies for, *and accepts*, an EIDL from the SBA is *ineligible* for the other two loan programs described below that are included in the CARES Act currently being considered in the Senate. The two loan options described below do not need to be repaid, EIDLs do.

Advance Tax Credit for Paid Family and Medical Leave Available Now

Businesses with 500 or fewer employees, who are required to provide employee paid leave, have the ability to file for an advance refundable tax credit equal to 100% of the total wages they anticipate they will pay to employees who take paid family or medical leave. Small businesses with fewer than 50 employees may be eligible for an exemption. See the IRS guidance for more information.
Additional details:

- Health insurance costs are also included in the credit.
- Employers face no payroll tax liability.
- Self-employed individuals receive an equivalent credit.

Small Business Administration (SBA) Payroll Protection Program in CARES Act

The loans below are included in the CARES Act which has not yet been passed. When it passes, these programs will be available.

SBA Express Loan

- **Eligibility:** Eligibility: any business concern, non-profit organization (501(c)3), veterans organization (501(c)19) that employs less than 500 employees or meets size standard. Sole proprietors, independent contractors, and eligible self-employed individuals. Non-profits receiving Medicaid expenses are ineligible.
- **Cap:** $1 million
- **Turnaround Time:** 36 hours
- **Loan Forgiveness:** Any payment made for payroll (including paid sick, medical or family leave and group health benefits), rent, mortgage interest, utilities between February 15, 2020 and June 30, 2020 can be forgiven. Amount of loan forgiveness can be reduced by any change in staffing or payroll expenses. Amounts forgiven shall be excluded from taxable income.
- **Interest:** 4.5% - 6.5%
- **Deferment of Payment**: Available for up to one year
- **Available:** February 15, 2020 – December 31, 2020
- Idaho Approved SBA Lenders

NOTE: No business may take more than one resource or it may be considered a, "duplication of benefit." Businesses may not be forgiven for amounts paid for leave if they are eligible for a tax credit to off-set the cost.

SBA 7(a) Loan

- **Eligibility:** Any business concern, non-profit organization (501(c)3), veterans organization (501(c)19) which employs less than 500 employees or meets size standard. Sole proprietors, independent contractors, and eligible self-employed individuals. Non-profits receiving Medicaid expenses are ineligible.
- **Cap:** 250% of an employer's average monthly payroll (wages, tips, FML, health benefits, retirement, state and local taxes), capped at $10 million.
- **Turnaround Time:** 2 weeks
- **Loan Forgiveness:** Any payment made for payroll (including paid sick, medical or family leave and group health benefits), rent, mortgage interest, utilities between February 15, 2020 and June 30, 2020 can be forgiven. The amount of forgiveness can be reduced by any change in staffing or payroll expenses. Amounts forgiven shall be excluded from taxable income.
- **Interest:** 8.75% - 9.75%
- **Deferment of Payment:** Available for up to one year
- **Available:** February 15, 2020 – December 31, 2020
- Idaho Approved SBA Lenders

NOTE: No business may take more than one resource or it may be considered a, "duplication of benefit." Businesses may not be forgiven for amounts paid for leave if they are eligible for a tax credit to off-set the cost.

Other Resources

Idaho Small Business Development Center (SBDC)
The Idaho SBDC business advisors are available to provide information and technical assistance on SBA Economic Injury Disaster Loans and to help you navigate the economic impacts caused by COVID-19. Find more information here.

Idaho Women's Business Center (WBC)
The Idaho WBC is available to provide information and technical assistance on SBA Economic Injury Disaster Loans and to help you navigate the economic impacts caused by COVID-19. Find more information here.

Small Business Administration Idaho Offices
There are several SBA offices in Idaho which offer many small business loan and assistance programs and are currently helping small businesses understand how to access and apply for the capital they need. To find the SBA office near you, click here.