



Small Business Administration (SBA)

Guidance on Applying for Business & Financial Relief Through the Federal Government

During the turbulent and disruptive times caused by the coronavirus (COVID-19) disease, a growing number of families and businesses find themselves in a position in which they do not know what the future has in store for them, including several TIA members.

As a result of the COVID-19 crisis and its impact on America's small businesses, the SBA is currently offering **disaster relief loans**. Please review this carefully and use this guidance to position and protect your business for the short-term future.

TIA wants you to know that we're here to help, with this guidance being just one of the [resources](#) we have put together to assist our members navigate these uncertain times. This guidance is intended to provide you with information on how you can inject cash relief into your business.

ABOUT SBA LOANS

- As a small business, small agricultural cooperative, or private non-profit organization, you may borrow up to \$2 million for Economic Injury, with the rate of loan not to exceed 4% for a term of 30 years.
- The exact amount of loan will be determined by an assessment of economic injury.
- Confirm that your state is [still a disaster zone](#) and eligible for this relief program.

WHAT YOU NEED TO APPLY

- Completed [SBA Form 5](#) (Disaster Business Loan Application)
- Completed [IRS Form 4506-T](#) (Request for Transcript of Tax Return)
 - Must be signed and dated by Applicant Business, each principal owning 20% or more of the Applicant Business, each general partner or managing member and, for any owner who has more than a 50% ownership in an affiliate business.
 - Affiliates include business parent, subsidiaries, and/or businesses with common ownership or management.
- Full copies, including all schedules, of the most recent Federal income tax returns for the Applicant Business (an explanation may be submitted if tax returns are not available).
- Completed [SBA Form 413](#) (Personal Financial Statement)
 - Must be signed and dated by the applicant (if a sole proprietorship), each principal owning 20% or more of the Applicant Business, each general partner or managing member.
- Schedule of Liabilities listing all fixed debts ([SBA Form 2202](#) may be used).

AFTER YOU APPLY

- SBA will review your credit before conducting an inspection to verify your losses.
- After reviewing any insurance or other recoveries, a loan officer will determine your eligibility (SBA can make a loan while your insurance recovery is pending).
- A loan officer will work with you to provide all the necessary information needed to reach a loan determination (SBA's goal is to arrive at a decision on Applicants submission within 2-3 weeks).
- A loan officer will contact you to discuss the loan recommendation and next steps; you will also be advised in writing of all loan decisions.

AFTER YOU HAVE BEEN APPROVED

- SBA will prepare and send Loan Closing Documents to the Applicant for signature.
- Once SBA receives Applicant's signed Loan Closing Documents, an initial disbursement will be made to Applicant within five (5) days.
 - Physical Damage: \$25,000
 - Economic Injury (Working Capital): \$25,000 + Physical Damage disbursement
- A case manager will be assigned to work with Applicant to help meet all loan conditions. Case manager will also schedule subsequent disbursements until Applicant receives the full loan amount.
- Applicant's loan may be adjusted after closing due to Applicant's changing circumstances (e.g. increasing the loan for unexpected repair costs or reducing the loan due to additional insurance proceeds).

LINKS & SBA INFORMATION

- [Apply](#) online for financial relief (this is the quickest way to be approved due to the influx of applications).
- [Download](#) required forms online and apply via mail for financial relief.

MISCELLANEOUS & THINGS TO REMEMBER

- Applications have skyrocketed, so please be patient with the process.
- It will not hurt to advise your Members of Congress that you have applied and hope to be approved soon.
- Ask the constituent caseworkers, "Is there anything you can do to speed up my application?"
- Take the time to complete the form **correctly**, as this will speed up the approval process.
- Do the research – there are a lot of resources online about the process, knowledge is key. Center.

QUESTIONS?

- Please contact Scott Marks, TIA's Government Affairs Manager, at marks@tianet.org.
- For additional resources, guidance, information, updates, and news, please visit TIA's [COVID-19 Response Center](#).