

CARES Act Overview

Small Business Relief

Small business relief programs for federal, state and local levels

Loans are the most common option for relief, though some entities are also making grants available through their business assistance programs.

**This document will be updated as information comes available.*



Federal loans

The SBA is providing low-interest disaster loans of up to \$2 million dollars to small businesses, private non-profits, and small-scale agricultural cooperatives that have been hurt financially by COVID-19. Combined the stimulus packages approved now totals \$670 billion in small business loans.



Federal Reserve Main Street Business Lending Program

The [Fed announced that it is establishing a new program to support SMEs](#) and make it easier for them to access credit. The program complements efforts by the SBA.



IRS tax filing and payment extension

The IRS has delayed the April 15th tax filing deadline to July 15th. Small business filers can delay up to \$1 million in taxes without incurring any penalties.



State and local relief programs

States and localities around the country are posting new information about their business assistance programs; these can typically be found on governors' websites and vary in their eligibility requirements, their type of relief (loan vs. grant), and their application processes.

Federal and State Level Programs

Economic Injury Disaster Loans (EDIL)

On April 24, Paycheck Protection Program and Health Care Enhancement Act passed to provide \$10 billion in additional funding to this program.

- **Purpose:** To help small businesses overcome temporary losses in revenue and other economic pains caused by COVID-19. [Understanding the Program](#)
- **Process:** Governors make a request to the SBA for an Economic Injury Disaster Loan assistance declaration, which makes loans available statewide. [Guidance to apply can be found here](#)
- **Eligibility:** Small businesses, private non-profits, and agricultural enterprises in all states and territories may apply for a low-interest loan to be issued directly by the government.
- **Loan amounts:** Eligible businesses may receive up to \$2 million in assistance; non-profits pay 2.75% in interest; small businesses pay 3.75%.
- **Usage:** Addressing costs that cannot be paid due to COVID-19, like fixed debts and payroll.
- **Repayment:** SBA offers long-term repayment, capped at 30 years; loan terms vary based on determinations about each individual borrower's case.
- **Contact:** SBA disaster assistance customer service center at 1-800-659-2955 (TTY: 1-800-877-8339) or by e-mail at disastercustomerservice@sba.gov

Paycheck Protection Program (PPP)

On April 24, Paycheck Protection Program and Health Care Enhancement Act passed to provide an additional \$321 billion to this program.

- **Purpose:** To keep workers employed by small businesses on payroll, and further help small business weather the economic fallout of the coronavirus. [Understanding the Program](#)
- **Process:** Businesses can find the [application](#) on the Treasury Department CARES Act resource page; after gathering necessary information they should contact their bank or any SBA-approved lender to begin the process.
- **Eligibility:** Any business (including non-profits, veterans' organizations, sole proprietors, independent contractors, and tribal businesses) that has fewer than 500 employees (number can vary depending on industry).

State-Level SBA Partnerships

- Some states and cities have developed their own relief packages to help their small businesses. SBA works with several local partners, [find your local office here](#).

California

- ✓ San Francisco is offering up to \$10,000 for some businesses with 1-5 employees that have seen revenues drop by at least 25%.
- ✓ Los Angeles is offering emergency microloans of between \$5,000 and \$20,000 to businesses that provide low-income employment. The city has also placed a moratorium on evictions for affected businesses through the local emergency period.

New York City

- ✓ New York City has an Employee Retention Program that provides eligible businesses grants up to \$27,000 to cover 40% of payroll expenses.
- ✓ The city also has a fund offering zero interest loans capped at \$75,000 to businesses that have seen revenues drop by at least 25%.