



## SBA Economic Impact Disaster Loan Application

The application process is now open to business owners in all of Colorado's 64 counties. More information including the application link is available here: <https://disasterloan.sba.gov/ela/>.

Note: The website and application will experience unprecedented traffic. If the page will not load, please check back at a later time.

### Tips for Applying

#### RECOMMENDATIONS:

- Include the disaster in your application - specifically name "COVID-19" or "Coronavirus"
- Apply online versus by mail
- Write your password down; neither the system nor any personnel are able to retrieve it
- Save your work at every prompt. The website may go down periodically due to high volume. If this happens, try to login again at a later time.
- Do not rush through the application. Check and recheck the filing requirements to ensure that all the needed information is completed prior to submission. The biggest reason for delays in processing is due to missing information.
- Be sure to use the same contact information (business name and the name of all owners) that you use on your federal tax returns. Double check that they match.
- If your tax returns reference other businesses that you own, you must also submit those tax returns in order to avoid processing delay.
- If more funds are needed, applicants can submit supporting documents and a request for an increase. If less funds are needed, applicants can request a reduction in the loan amount.
- If the loan request is denied, the applicant will be given up to six months in which to provide new information and submit a written request for reconsideration.

Please [sign up](#) for the Northwest Colorado SBDC newsletter to receive guidance and resources as we learn more about this application process and other resources available to business owners and communities in Northwest Colorado.

# **SBA Economic Injury Disaster Loan Overview**

## **ELIGIBLE ENTITIES:**

- Applicants must meet the SBA requirements of a small business (500 employees or fewer)
- Businesses directly affected by COVID-19

## **INELIGIBLE ENTITIES:**

- Agricultural Enterprises: If the primary activity of the business (including its affiliates) is as defined in Section 18(b)(1) of the Small Business Act, neither the business nor its affiliates are eligible
- Religious Organizations
- Gambling Concerns (Ex: Concerns that derive more than 1/3 of their annual gross revenue from legal gambling activities)
- Casinos & Racetracks (Ex: Businesses whose purpose for being is gambling (e.g., casinos, racetracks, poker parlors, etc.) are not eligible regardless of 1/3 criteria above.
- Cannabis Industry

## **LOAN APPROVAL CRITERIA:**

- Credit History: Applicants must have a credit history acceptable to SBA
- Repayment: SBA must determine that the applicant business has the ability to repay the SBA loan

## **HOW MUCH YOU CAN BORROW:**

- Eligible entities may qualify for loans up to \$2 million.
- The interest rates for this disaster are 3.75 percent for small businesses and 2.75 percent for nonprofit organizations 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

## **HOW THE FUNDS CAN BE USED:**

- 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 are not intended to replace lost sales or profits or for expansion.
- Funds cannot be used to pay down long-term debt.

## **WHAT IS NEEDED TO APPLY:**

- Completed SBA loan application (SBA Form 5)
- Tax Information Authorization (IRS Form 4506T) for the applicant, principals and affiliates
- Complete copies of the most recent Federal Income Tax Return
- Schedule of Liabilities (SBA Form 2202)
- Personal Financial Statement (SBA Form 413)
- Income, balance sheet, and cash flow documents
- Other Information may also be requested

**OTHER INFORMATION THAT MAY BE REQUESTED:**

- 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

**HOW SOON WILL BUSINESSES RECEIVE MONEY?**

- Eligible businesses that submit complete loan packages could receive money within three (3) weeks
- Incomplete information and verification of collateral will delay approval process

**HOW TO APPLY:**

- Applicants may apply online using the Electronic Loan Application (ELA) via SBA's secure website at <https://disasterloan.sba.gov/ela>
- Paper loan applications can be downloaded from [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
- Disaster 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 and hard-of-hearing) or by sending an email to [disastercustomerservice@sba.gov](mailto:disastercustomerservice@sba.gov)