

SMALL BUSINESS FINANCING CHECKLIST

- 1) Are you a small business? Businesses in certain industries may have more than 500 employees if they meet the U.S. Small Business Administration's (SBA) size standards.**
 - a) If yes, continue down the checklist.
 - b) If no, ignore the rest of this checklist and refer to section eight below.
- 2) Check with your current lender or financial institution to see what is available.**
 - a) The SBA will pay the principal and interest of new 7(a) loans issued prior to September 27, 2020, and current 7(a) loans for a period of six months.
- 3) Consider applying for the Paycheck Protection Program for payroll, rent, mortgage interest or utilities.**
 - a) Apply through eligible SBA lenders.
 - b) SBA may forgive the loan if all employees are kept on the payroll for eight weeks and the loan is used for payroll, mortgage interest, rent + utilities.
 - i) 75% of loan amount must go to payroll to be eligible for debt forgiveness.
 - c) Two-year maturity.
 - d) Six-month payment deferral.
 - e) 1% interest rate.
- 4) Consider applying for an Economic Injury Disaster Loan through the SBA for fixed debts, accounts payable and other bills incurred during the COVID-19 pandemic (This is the same as a SBA 7(b) loan).**
 - a) 30-year term.
 - b) 3.75% interest rate for small businesses; 2.5% interest rate for private nonprofits.
 - c) Applicants are eligible for a loan advance up to \$10,000, which does not need to be repaid. If approved, the \$10,000 is rolled into the loan.
- 5) Review SBA loan products.**
 - a) The SBA 7(a) allows lenders to issue loans they would not normally make by SBA guaranteeing up to 85% of the loan.
- 6) Check with your local chamber of commerce to see if any local programs are available to you.**
- 7) Other programs include:**
 - a) Social Security Payroll Tax Deferral – 50% until December 2021 and 50% until December 2022.
 - b) Families First Coronavirus Response Act
 - c) Emergency Paid Sick Leave and Emergency FMLA
 - d) Employee Retention Tax Credit – Refundable payroll tax credit up to \$10k in wages/benefits per employee
- 8) Emergency Relief + Taxpayer Relief**
 - a) Available for businesses over 500 employees that have to lay off or furlough employees.
 - b) Between 500-10,000 employees.
 - i) Good faith certification that the fund will be used to retain more than 90% of workforce until 9/30/2020.
 - ii) No outsourcing or offshoring of job for two years after complete loan repayment.

For more information and guidance, please click here for a [resource guide](#) for small businesses.

Please contact the [Indiana Small Business Development Center](#) for a list of other capital access resources.