

Guide to SBA 2020 Economic Injury Disaster Loan Assistance Program

Presented by:

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Disaster Loan Assistance

Federal Disaster Loans for Businesses, Private Non-profits, Homeowners and Renters

COVID-19 ECONOMIC INJURY DISASTER LOAN APPLICATION



DISCLOSURES



BUSINESS INFORMATION



BUSINESS OWNERS INFORMATION



ADDITIONAL INFORMATION



SUMMARY

STREAMLINED PROCESS REQUIREMENTS

SBA is collecting the requested information in order to make a loan under SBA's Economic Injury Disaster Loan Program to the qualified entities listed in this application that are impacted by the Coronavirus (COVID-19). The information will be used in determining whether the applicant is eligible for an economic injury loan. If you do not submit all the information requested, your loan cannot be fully processed.

The Applicant understands that the SBA is relying upon the self-certifications contained in this application to verify that the Applicant is an eligible entity to receive the advance, and that the Applicant is providing this self-certification under penalty of perjury pursuant to 28 U.S.C. 1746 for verification purposes.

The estimated time for completing this entire application is two hours and ten minutes, although you may not need to complete all parts. You are not required to respond to this collection of information unless it displays a currently valid OMB approval number.



SBA 2020 Economic Injury Disaster Loan Assistance Program

Background:

- Hawaii small businesses suffering financial losses due to the impact of COVID-19 can now file for low interest working capital loans of up to \$2M from the SBA.
- Program is open in Hawaii as of 3/20/20. Gov. Ige declared a disaster.
- Farmers & Ag do not qualify. Aquaculture qualifies.
- No cost to apply.
- Money comes from US Treasury not a bank.
- Loans can be used to pay fixed debts, payroll, and other bills that cannot be paid because of the disaster's impact.
- Interest rates are 3.75% for small business, 2.75% for non-profits, collateral required for >\$25k, \$2M max loan, terms up to 30 years, one-year deferment.
- SBA determines loan size.

SBA 2020 Economic Injury Disaster Loan Assistance Program

Who Qualifies?

- Officially registered businesses operating legally under federal and state laws
- Been in business for over 1 year, size meets SBA small business criteria (you must certify).
- Owner has invested equity
- Owner has exhausted other assets/insurance that can easily be liquidated
- Owner demonstrates the ability to repay
- There are certifications (child support, criminal offenses, U.S. citizen).

SBA 2020 Economic Injury Disaster Loan Assistance Program

How do I apply?

SBA EIDL Online Form <https://covid19relief.sba.gov>

- **Required Documentation:**
 - **Business Loan Application (SBA Form 5 or 5C)**
 - Certification (EIDL Form P-019)
 - IRS Form 4506-T (each >20% owner)
 - "Most recent tax return" (4506-T may suffice depending on \$ amount)
 - **Personal Financial Statement (SBA Form 413D for each >20% owner)**
 - **Schedule of Liabilities (SBA Form 2022)**
 - **Additional Filing Requirements (SBA Form 1368)**

 U.S. Small Business Administration DISASTER BUSINESS LOAN APPLICATION		<small>CMB No. 3245-0017 Expiration: 08/31/2021</small>
<small>FOR SBA INTERNAL USE ONLY</small>		Date Received _____ Location _____ By _____
Physical Declaration Number	<input type="text"/>	Filing Deadline Date
Economic Injury Declaration Number	<input type="text"/>	Filing Deadline Date
FEMA Registration Number <small>(if known)</small>	<input type="text"/>	SBA Application Number
1. ARE YOU APPLYING FOR:		
<input type="checkbox"/> Physical Damage -- Indicate type of damage <input type="checkbox"/> Real Property <input type="checkbox"/> Business Contents <input type="checkbox"/> Economic Injury (EIDL)		<input type="checkbox"/> Military Reservist EIDL (MREIDL) <small>(complete the following)</small> * Name of Essential Employee _____ * Employee's Social Security Number _____
PLEASE PROVIDE ALL INFORMATION OR DOCUMENTATION REQUESTED IN THE ATTACHED FILING REQUIREMENTS. <small>* For information about these questions, see the attached Statements Required by Laws and Executive Orders.</small> Apply online at https://disasterloan.sba.gov/eta/ OR send completed applications to: U.S. Small Business Administration, Processing and Disbursement Center, 14925 Kingsport Road, Fort Worth, Texas 76155		
2. ORGANIZATION TYPE *Sole Proprietors should complete form 5C		
<input type="checkbox"/> Partnership <input type="checkbox"/> Limited Partnership <input type="checkbox"/> Limited Liability Entity <input type="checkbox"/> Corporation <input type="checkbox"/> Nonprofit Organization <input type="checkbox"/> Trust <input type="checkbox"/> Other: _____		
3. APPLICANT'S LEGAL NAME		4. FEDERAL E.I.N. (if applicable)
5. TRADE NAME (if different from legal name)		6. BUSINESS PHONE NUMBER (including area code)
7. MAILING ADDRESS <input type="checkbox"/> Business <input type="checkbox"/> Home <input type="checkbox"/> Temp <input type="checkbox"/> Other _____		
Number, Street, and/or Post Office Box City County State Zip		
8. DAMAGED PROPERTY ADDRESS(ES) BUSINESS PROPERTY IS:		
<small>(If you need more space, attach additional sheets.)</small> <input type="checkbox"/> Same as mailing address <input type="checkbox"/> Owned <input type="checkbox"/> Leased		
Number and Street Name City County State Zip		
9. PROVIDE THE NAME(S) OF THE INDIVIDUAL(S) TO CONTACT FOR:		
Loss Verification Inspection		Information necessary to process the Application
Name		Name
Telephone Number		Telephone Number
10. ALTERNATE WAY TO CONTACT YOU		
<input type="checkbox"/> Cell Number <input type="checkbox"/> E-mail		
<input type="checkbox"/> Fax Number <input type="checkbox"/> Other		
11. BUSINESS ACTIVITY:		12. NUMBER OF EMPLOYEES (pre-disaster):
13. DATE BUSINESS ESTABLISHED:		14. CURRENT MANAGEMENT SINCE:
15. AMOUNT OF ESTIMATED LOSS: <input type="checkbox"/> Real Estate <input type="checkbox"/> Inventory <small>If unknown, enter a question mark</small> <input type="checkbox"/> Machinery & Equipment <input type="checkbox"/> Leasehold Improvements		
16. INSURANCE COVERAGE (IF ANY) Coverage Type:		
Name of Insurance Company and Agent		
Phone Number of Insurance Agent		Policy Number

- SBA Loan Application (SBA Form 5)
- Sole Proprietor uses SBA Form 5C

Helpful Tips:

- Entries that are acceptable go from red to green – all must be green to proceed
- Make sure you are applying for Economic Injury
- Declaration Number is EM-3431
- Enter your business/personal information
- Entries must be completed for each >20% owner.
- Provision added for \$10k advance

**U.S. SMALL BUSINESS ADMINISTRATION
ECONOMIC INJURY DISASTER LOAN SUPPORTING INFORMATION**

The U.S. Small Business Administration Economic Injury Disaster Loan provides immediate working capital to eligible applicants. For expedited loan application processing, the business must have been operating for at least one year prior to the disaster. Eligibility for this disaster Loan must consider compensated from other sources to offset the economic injury. Other sources include but are not limited to: (1) grants or other reimbursement (including loans) from government agencies or private organizations, and (2) claims for civil liability against other individuals, organizations or governmental entities.

Was the business in operation one year prior to the disaster? Yes No

Gross Revenues for the twelve (12) month period prior to the disaster: \$

Cost of Goods Sold for the twelve (12) month period prior to the disaster: \$

Rental properties (residential and commercial) only.
Lost rents due to the disaster: \$

Compensation from other sources received as a result of the disaster (provide a brief description below) :

\$

\$

\$

SIZE STANDARD*:

SBA's size standards define whether a business concern is small and, therefore, eligible for an Economic Injury Disaster Loan.

I certify all above information provided and the size of the applicant business does not exceed the size standard for the industry in which the business is primarily engaged.

Signature and Title _____ Date _____

* SBA establishes size standards by industry under the North American Industry Classification System (NAICS) (<https://www.census.gov/eos/www/naics/>). Business size standards, by NAICS code, may be found at 13 CFR §121.201 (https://ecfr.io/Title-13/se13.1.121_1201).

- **EIDL Supporting Information Form P-019**
- **Required for All**

Helpful Tips:

The first online web form accomplishes this requirement. It also determines what other paperwork is required.

- **Verifies Eligibility**
 - In business one year
 - Analyzes revenues, COGS
 - Checks for compensation from other sources (i.e. Insurance)
 - You are certifying that you meet the size standard

Request for Transcript of Tax Return IRS Form 4506-T (each >20% owner)

Requests Transcript of Owners Personal Tax Return

Helpful Tips:

- Must be completed for each owner with >20% ownership
- Addresses, names and forms must match filings!
- Joint filers need joint signatures

Form 4506-T (June 2019) Department of the Treasury Internal Revenue Service		Request for Transcript of Tax Return ▶ Do not sign this form unless all applicable lines have been completed. ▶ Request may be rejected if the form is incomplete or illegible. ▶ For more information about Form 4506-T, visit www.irs.gov/form4506t .		OMB No. 1545-1872
<p>Tip. Use Form 4506-T to order a transcript or other return information free of charge. See the product list below. You can quickly request transcripts by using our automated self-help service tools. Please visit us at IRS.gov and click on "Get a Tax Transcript..." under "Tools" or call 1-800-908-9946. If you need a copy of your return, use Form 4506, Request for Copy of Tax Return. There is a fee to get a copy of your return.</p>				
1a Name shown on tax return. If a joint return, enter the name shown first.		1b First social security number on tax return, individual taxpayer identification number, or employer identification number (see instructions)		
2a If a joint return, enter spouse's name shown on tax return.		2b Second social security number or individual taxpayer identification number if joint tax return		
3 Current name, address (including apt., room, or suite no.), city, state, and ZIP code (see instructions)				
4 Previous address shown on the last return filed if different from line 3 (see instructions)				
5 Customer file number (if applicable) (see instructions)				
<p>Note: Effective July 2019, the IRS will mail tax transcript requests only to your address of record. See What's New under Future Developments on Page 2 for additional information.</p>				
6 Transcript requested. Enter the tax form number here (1040, 1065, 1120, etc.) and check the appropriate box below. Enter only one tax form number per request. ▶				
a Return Transcript , which includes most of the line items of a tax return as filed with the IRS. A tax return transcript does not reflect changes made to the account after the return is processed. Transcripts are only available for the following returns: Form 1040 series, Form 1065, Form 1120, Form 1120-A, Form 1120-H, Form 1120-L, and Form 1120S. Return transcripts are available for the current year and returns processed during the prior 3 processing years. Most requests will be processed within 10 business days <input type="checkbox"/>				
b Account Transcript , which contains information on the financial status of the account, such as payments made on the account, penalty assessments, and adjustments made by you or the IRS after the return was filed. Return information is limited to items such as tax liability and estimated tax payments. Account transcripts are available for most returns. Most requests will be processed within 10 business days <input type="checkbox"/>				
c Record of Account , which provides the most detailed information as it is a combination of the Return Transcript and the Account Transcript. Available for current year and 3 prior tax years. Most requests will be processed within 10 business days <input type="checkbox"/>				
7 Verification of Nonfiling , which is proof from the IRS that you did not file a return for the year. Current year requests are only available after June 15th. There are no availability restrictions on prior year requests. Most requests will be processed within 10 business days <input type="checkbox"/>				
8 Form W-2, Form 1099 series, Form 1098 series, or Form 5498 series transcript. The IRS can provide a transcript that includes data from these information returns. State or local information is not included with the Form W-2 information. The IRS may be able to provide this transcript information for up to 10 years. Information for the current year is generally not available until the year after it is filed with the IRS. For example, W-2 information for 2016, filed in 2017, will likely not be available from the IRS until 2018. If you need W-2 information for retirement purposes, you should contact the Social Security Administration at 1-800-772-1213. Most requests will be processed within 10 business days <input type="checkbox"/>				
<p>Caution: If you need a copy of Form W-2 or Form 1099, you should first contact the payer. To get a copy of the Form W-2 or Form 1099 filed with your return, you must use Form 4506 and request a copy of your return, which includes all attachments.</p>				
9 Year or period requested. Enter the ending date of the year or period, using the mm/dd/yyyy format. If you are requesting more than four years or periods, you must attach another Form 4506-T. For requests relating to quarterly tax returns, such as Form 941, you must enter each quarter or tax period separately.				
<p>Caution: Do not sign this form unless all applicable lines have been completed.</p>				
<p>Signature of taxpayer(s). I declare that I am either the taxpayer whose name is shown on line 1a or 2a, or a person authorized to obtain the tax information requested. If the request applies to a joint return, at least one spouse must sign. If signed by a corporate officer, 1 percent or more shareholder, partner, managing member, guardian, tax matters partner, executor, receiver, administrator, trustee, or party other than the taxpayer, I certify that I have the authority to execute Form 4506-T on behalf of the taxpayer. Note: This form must be received by IRS within 120 days of the signature date.</p>				
<input type="checkbox"/> Signatory attests that he/she has read the attestation clause and upon so reading declares that he/she has the authority to sign the Form 4506-T. See instructions.		Phone number of taxpayer on line 1a or 2a		
Sign Here ▶	Signature (see instructions)		Date	
	Title (if line 1a above is a corporation, partnership, estate, or trust)			
	Spouse's signature		Date	
<p>For Privacy Act and Paperwork Reduction Act Notice, see page 2. Cat. No. 37667N Form 4506-T (Rev. 6-2019)</p>				





PERSONAL FINANCIAL STATEMENT
DISASTER PROGRAMS

OMB APPROVAL NO. 3245-0188
EXPIRATION DATE: 03-31-2021

U.S. SMALL BUSINESS ADMINISTRATION

As of _____, _____

SBA uses the information required by SBA form 413D as one of a number of data sources in analyzing the repayment ability and creditworthiness of an application for an SBA disaster loan. Complete this form for: (1) each proprietor; (2) general partner; (3) managing member of a limited liability company (LLC); (4) each owner of 20% or more of the equity of the Applicant (including the assets of the owner's spouse and any minor children); and (5) any person providing a guaranty on the loan. **Return completed form to: Disaster Processing and Disbursement Center at 14925 Kingsport Road, Fort Worth, TX 76155-2243 or FAX to 1-202-481-1505.**

Name _____ Business Phone _____

Residence Address _____ Residence Phone _____

City, State, & Zip Code _____

Business Name of Applicant/Borrower _____

ASSETS		LIABILITIES	
	(Omit Cents)		(Omit Cents)
Cash on hand & in Banks	\$ _____	Accounts Payable	\$ _____
Savings Accounts	\$ _____	Notes Payable to Banks and Others	\$ _____
IRA or Other Retirement Account	\$ _____	(Describe in Section 2)	
(Describe in Section 5)		Installment Account (Auto)	\$ _____
Accounts & Notes Receivable	\$ _____	Mo. Payments \$ _____	
(Describe in Section 5)		Installment Account (Other)	\$ _____
Life Insurance-Cash Surrender Value Only	\$ _____	Mo. Payments \$ _____	
(Complete Section 8)		Loan on Life Insurance	\$ _____
Stocks and Bonds	\$ _____	Mortgages on Real Estate	\$ _____
(Describe in Section 3)		(Describe in Section 4)	
Real Estate	\$ _____	Unpaid Taxes	\$ _____
(Describe in Section 4)		(Describe in Section 6)	
Automobiles - Total Present Value	\$ _____	Other Liabilities	\$ _____
(Describe in Section 5, and include		(Describe in Section 7)	
Year/Make/Model)		Total Liabilities	\$ _____
Other Personal Property	\$ _____	Net Worth	\$ _____
(Describe in Section 5)			
Other Assets	\$ _____		
(Describe in Section 5)			
Total Assets	\$ _____	Total Liabilities and Net Worth	\$ _____

Section 1. Source of Income		Contingent Liabilities	
Salary	\$ _____	As Endorser or Co-Maker	\$ _____
Net Investment Income	\$ _____	Legal Claims & Judgments	\$ _____
Real Estate Income	\$ _____	Provision for Federal Income Tax	\$ _____
Other Income (Describe below)*	\$ _____	Other Special Debt	\$ _____

Description of Other Income in Section 1.

*Alimony or child support payments need not be disclosed in "Other Income" unless it is desired to have such payments counted toward total income.

Personal Financial Statement SBA Form 413D (each >20% owner)

Helpful Tips:

- Must be completed for each owner with >20% ownership.
- Creates a financial snapshot in time for each owner.



SBA 2020
Economic
Injury Disaster
Loan
Assistance
Program

APPLY NOW

SBA EIDL ONLINE APPLICATION

<https://covid19relief.sba.gov>

 **maui economic**
DEVELOPMENT BOARD

HAWAII
SBDC
SMALL BUSINESS
DEVELOPMENT CENTER



SBA 2020 Economic Injury Disaster Loan Assistance Program

Final Thoughts:

- Download the forms and fill them out.
- Make sure the right people participate (20% ownership)
- Be consistent – review carefully before submitting
- Use the SBA website for forms

Useful Links:

SBA Website to apply:

<https://covid19relief.sba.gov>

Paper forms:

<https://www.sba.gov/disaster/apply-for-disaster-loan/index.html>

CONTACTS

For questions, assistance or virtual appointments, email us at:

MEDB

Phone: 808-270-6803

Email: info@hightechmaui.com

Website: www.medb.org

SBDC

Phone: 808-875-5990

Email: Library@hisbdc.org

Website: www.hisbdc.org



MAHALO!

