

## **HOW DOES THE CARES ACT AFFECT SMALL BUSINESSES?**

See Below for Frequently Asked Questions by Small Businesses That Have Been Impacted By The  
Coronavirus and Helpful Answers

### **Is your small business struggling due to the recent coronavirus epidemic?**

- Your business may be eligible for a new Paycheck Protection Loan.
- This 4% interest rate loan is 100% guaranteed by the SBA.

### **Who is eligible?**

- Businesses and 501(c)(3)s with less than 500 employees.

### **Where can you get this loan?**

- Any existing SBA lenders and any lenders that are brought into the program through the Treasury.
- You should talk to your preferred financial lender to see if they qualify.

### **What can you use the loan amount for?**

- Payroll costs
- Group health care benefits
- Employee salaries
- Interest on any mortgage obligation
- Rent
- Utilities
- And any other debt obligations occurred before Feb. 15, 2020.

### **How much can you borrow?**

- The maximum amount is the lesser of \$10 million or 2.5 times the average monthly payroll based on last year's payroll.

### **How long will it take to receive the money?**

- The SBA has authorized lenders to process, close, and service loans without SBA approval, giving you the means to invest in your business immediately.

### **What if you can't pay it back?**

- First, all payment on principle, interest, and fees will be automatically deferred for six months.
- Second, for businesses that retain their staff up until June 30, 2020, this loan will be forgiven.

### **Can the entire loan be forgiven?**

- No, only the portion of the loan used to cover payroll costs, mortgage interest, rent, and utilities can be forgiven.
- In addition, only 8 weeks can be forgiven.

### **Other useful resources:**

- [Full text of the final bill](#)
- [Section-by-section summary of the bill](#)