

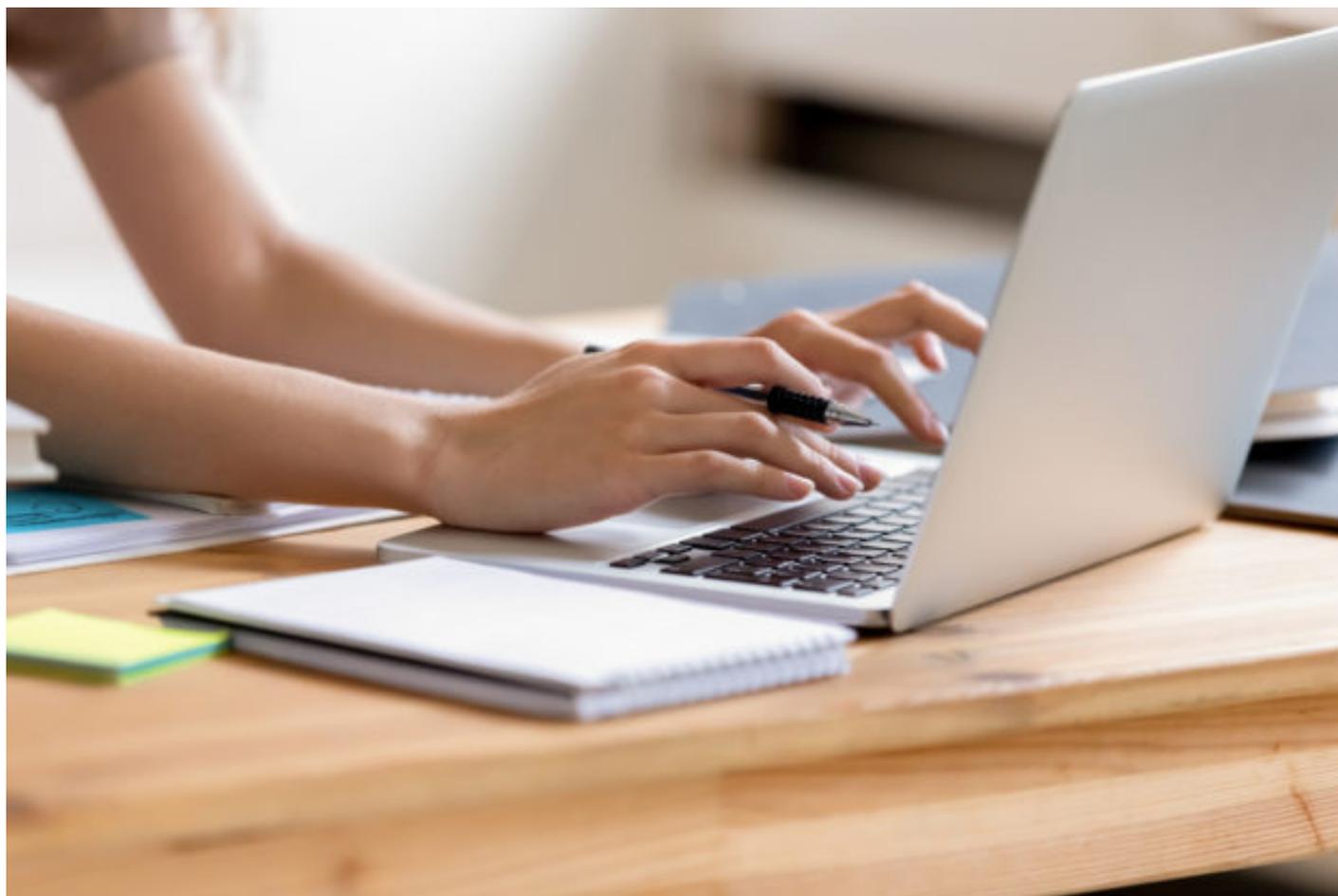
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10 Commonly Asked **Coronavirus Small Business Loan Questions**

Your most commonly asked questions about the SBA loans being offered to small businesses during the COVID-19 pandemic — answered.

By: Jeanette Mulvey, Content Director

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From eligibility criteria to amount of funding provided, these are the most commonly asked questions pertaining to the loans being offered to struggling small businesses. — Getty Images/fizkes

We've been getting lots of questions about the small business loans available to businesses struggling during the coronavirus outbreak. Here we answer the most common questions we've gotten. After reading, consider going here for more resources:

[National Small Business Town Hall](#) in partnership with the U.S. Chamber of Commerce and Inc. There are lots of questions answered in this very informative town hall.

The **Economic Injury Disaster Loan** from the Small Business Administration (SBA).

The **Paycheck Protection Loan** (Part of the CARES Act).

2. How do I get these loans?

Apply for the Economic Injury Disaster Loan directly from the SBA [here](#).

Paycheck Protection Loans are government-backed but will come from private banks. You should inquire at your local bank about these loans. The Treasury Department has just released the loan application. You can see it [here](#). You will still need to apply for the loan at your local bank. This is just the application.

3. How much can I borrow?

The Economic Injury Disaster Loan from the SBA can be up to \$2 million working capital for up to a 30-year term at 3.75% (2.75% non-profits). Not everyone will qualify for that amount.

The Paycheck Protection Loans can be for 2.5 months of average payroll or \$10 million — whichever is less.

4. Do I need to repay these loans?

You must repay the Economic Injury Disaster Loan from the SBA. Payments can be deferred for one year after the origin of the loan.

All or some of the Paycheck Protection Loan may be forgiven (converted into a grant). There are specific requirements about how you spend the loan and if you continue to employ your workers in order for it to be forgiven. [Read them here](#).

Coronavirus Guide for Small Businesses

CO— is working to bring you the best resources and information to help you navigate this challenging time. Read on for our complete coronavirus coverage.

Coronavirus Small Business Guide



5. What about the \$10,000 emergency grant I've heard about?



will still have to repay the rest of your SBA Economic Injury Disaster Loan.

6. Can self-employed workers and freelancers apply?

Paycheck Protection Loans are available to 501(c)(3)s, self-employed, sole proprietors and independent contractors.

SBA Economic Injury Disaster Loans are available to small businesses and non-profits (including faith-based) with fewer than 500 employees, sole proprietors and independent contractors.

7. Can you apply for both loans?

Yes. You can apply for and receive both loans.

8. Do I need good credit to qualify for these loans?

The Paycheck Protection Loan requires no collateral and no personal guarantee.

The Economic Injury Disaster Loans are given based on credit scores. No tax returns are required. You can borrow up to \$200,000 without a personal guarantee.

9. What if I've already fired or laid off my employees? Do I still qualify for a Paycheck Protection Loan?

Your loan may be forgiven if you bring back employees and restore wages generally within 30 days and maintain them through June 30.

10. My bank doesn't seem to know anything about the Paycheck Protection Loan. Now what?

Banks are currently working out the details but are expected to be ready by April 3. The Treasury Department has released more details on the loan [here](#). You can also view the application [here](#). You will still need to apply through a private bank.

For more resources from the U.S. Chamber of Commerce:

Check out the [U.S. Chamber's Small Business Loan Guide](#).

To help you manage your business through the coronavirus crisis, the U.S. Chamber of Commerce has created a [toolkit for businesses](#) and a [customizable flyer](#) for businesses to communicate their coronavirus efforts to customers.

For more information pertaining to your specific location, you can find your local Chamber of Commerce [here](#).

The U.S. Chamber of Commerce Foundation has created a full list of programs providing financial assistance to small businesses impacted by COVID-19. You can find that [here](#).

CO— aims to bring you inspiration from leading respected experts. However, before making any business decision, you should consult a professional who can advise you based on your individual situation.



For more business financing tips—



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