

COVID-19 Factsheet for Businesses

Small Business Administration

Small Business Administration (SBA) is offering low-interest federal disaster loans for working capital to small business suffering substantial economic injury as a result of the Coronavirus (COVID-19).

Here are some key facts regarding the loans:

- Loans of up to \$2 million are now available for small businesses and private non-profits
- Funds can pay fixed debts, payroll, accounts payable and other bills that can't be paid because of the disaster's impact.
- The current interest rate is 3.75% for small businesses, non-profit rate is 2.75%
- The terms can be extended up to 30 years to keep it affordable.
- These loans are only intended as working capital loans utilized to assist with impact caused by the coronavirus emergency efforts.
- Loan applications will be evaluated by SBA loan officers. Criteria includes:
 - Credit history acceptable to the SBA
 - Repayment abilities
- Eligibility - business must be headquartered in a declared state and suffered working capital losses due to the declared disaster (not a general downturn in business due to the economy or other reasons.)

https://www.sba.gov/funding-programs/disaster-assistance?utm_medium=email&utm_source=govdelivery

Department of Employment and Economic Development (DEED)

Executive Order 20-15 directs DEED to create a Small Business Emergency Loan Program by making available \$30 million from special revenue funds. These dollars will be used by DEED's lender network to make loans of between \$2,500 and \$35,000 for qualifying small businesses. The loans will be 50% forgivable, and offered at a 0% interest rate. If other financing becomes available to small businesses that received an emergency loan, such as federal funding, the emergency loan must be repaid. These emergency loans will be made by an existing network of lenders DEED works with across the state. **Applicants should carefully review eligibility guidelines before applying.**

<https://mn.gov/deed/business/financing-business/deed-programs/peacetime/>

Meeker County EDA COVID-19 Business Loans

The Meeker County EDA has established a loan fund to assist businesses negatively impacted by COVID-19. Eligible businesses include those cited in the Governor's Emergency Executive Order 20-04 and 20-08. All applicants must have a physical, commercial approved location, whether leased or owned, that is located within Meeker County and must be current on property taxes. Eligible loan activities include operating capital to assist the business with sustaining itself until longer-term assistance programs are available or other activities having sufficient merit as determined by the MCEDA Board on a case-by-case basis. The maximum loan amount is \$5,000. Interest rate will be zero percent. Loans will be for a maximum length of 24 months and loan repayments may be deferred for up to 6 months. Businesses can find the loan application on the EDA's website at

<https://meekercodevcorp.com/made-in-meeker/>

Loan Deferrals

Businesses should be reaching out to any of their existing Lenders to determine if there is flexibility in loan payments with any existing loans. Some Lenders are offering deferred loan payments. This is not automatic and therefore businesses should be proactive in communicating with their existing Lenders.

CARES Act

The programs and initiatives in the *Coronavirus Aid, Relief, and Economic Security (CARES) Act* that was just passed by Congress are intended to assist business owners with whatever needs they have right now. When implemented, there will be many new resources available for small businesses, as well as certain non-profits and other employers. A guide has been published providing information about the major programs and initiatives that will soon be available from the Small Business Administration (SBA) to address these needs, as well as some additional tax provisions that are outside the scope of SBA. A link to this guide can be found on the Meeker County EDA's website.

Federal Department of Labor

Department of Labor announced that small and midsize employers can begin taking advantage of two new refundable payroll tax credits designed to immediately and fully reimburse them for the cost of providing COVID-19 related leave to their employees. Additional guidance, including how to claim the credits in advance, is being prepared and will be posted to the [Coronavirus Tax Relief](#) page on IRS.gov as soon as it is available.

Other Links to State Resources

If you're a business or a worker who has general questions about how COVID-10 affects business, consult our [COVID-19 Information page](#).

If you want to know what state government has to offer businesses so far, check out our blog on [Helping Minnesota Businesses during COVID-19](#).

If you're a business or a worker who has questions about how unemployment insurance works, consult our [Unemployment Insurance FAQs](#).

If you're going to apply for unemployment benefits, APPLY ONLINE. Phone lines are jammed and have long wait times. The URL is www.uimn.org

For information on delaying your sales and use tax payments see the [MN Dept of Revenue Sales and Use Tax](#) page.