



U.S. Small Business Administration

Supplemental/Checklist for COVID EIDL Intake Form

This additional checklist is provided to assist a small business in completing the COVID-19 Economic Injury Disaster Loan Intake Application Form. The below steps reflect the form's Sections and Fields.

ELIGIBLE ENTITY VERIFICATION

Section – Choose One:

ELIGIBLE ENTITY VERIFICATION

Choose One:

Applicant is a business that, together with affiliates, has not more than 500 employees.

Applicant is an agricultural enterprise that, together with affiliates, has not more than 500 employees.

This section assesses if the business/non-profit meets the SBA's size and entity requirements. In order to be eligible, the Applicant business/non-profit must be small as determined by SBA.

Check the box that applies to the Applicant business/non-profit. If Applicant cannot make a selection from this list, the Applicant is not eligible.

Section – Eligibility Questions

ELIGIBILITY QUESTIONS:

Applicant must review and respond to all of the member who owns 20% or more interest, each g

If you answer "Yes" to questions 1-18 or 20, the A

For Eligibility Questions **1 through 11**, if the answer to any of the questions in this section of the form is yes, the applicant is not eligible.

Q1: If any owner, including a proprietor, partner, limited partner or LLC member who owns 50% or more interest, general partner or managing member, and stockholder or entity owning 50% or more of the voting stock of the Applicant is more than 60 days delinquent on child support obligations, Applicant must choose yes.

Q2: If any owner of 20% or more of the Applicant or the applicant has been convicted in court for production or distribution of obscene materials (e.g., pornography, prurient) Applicant must choose yes.

Q3 and Q4: Answer accordingly

Q5: This means has any owner of 20% or more of the Applicant been arrested and is currently under indictment or pending arraignment for a felony in any Federal, State or Local court, Applicant must choose yes.

Q6 through Q9: Answer accordingly

Q10: If the Applicant business is primarily engaged (50% or more of revenue) in lobbying activities at the federal, state, or local level, Applicant must choose yes.

Q11: Answer accordingly

Question 12: In general, if a Member of Congress answers yes to this question, the application cannot move forward. Members of Congress cannot execute loan documents for funds directly from SBA. If the Member of Congress does not own 20% or more of the applicant, they would not be required to sign the loan documents or guaranty the loan. The applicant may seek an exception by submitting a request for review to SBA.

Q13: Answer accordingly

Q14: If the Applicant business is a lender of any type, which includes banks, credit unions, finance companies, payday lenders, fintech-online lenders, etc.), Applicant is not eligible.

Q15: If the Applicant business prepares commercial loan applications for others, and 33% of the gross revenue is from preparing loan applications for SBA 7(a), 504, PPP or EIDL loans, Applicant is not eligible.

Q16: Businesses using pyramid or multilevel sales distribution plans are not eligible.

Q17: If the Applicant is engaged in real estate investment (not development), Applicant is ineligible. Holding land for speculation or future development is ineligible. Businesses primarily engaged in subdividing real property into lots and developing it for resale on its own account are not eligible. The Applicant business is eligible if it owns and lease rental properties at the time of the disaster occurrence.

Q18: The Applicant is not considered a life insurance company if it is an independent agent (not an employee) with the ability to sell policies for multiple issuers of life insurance. The applicant that is an independent agent would choose No.


Q19: Generally, each choice is self-explanatory. However, the Applicant may also have filed for reorganization under Chapter 5 which has rules that are less stringent for smaller asset/value cases.

If the Applicant has filed under Chapter 5 and has an approved plan of reorganization, choose Yes under the Chapter 11 approved option, Applicant is eligible. Note, SBA will require the agreement from court/trustee for the Applicant to receive a COVID EIDL loan.

If the Applicant has filed Chapter 5 and does not have an approved plan, choose Yes under either the third or fourth bullet indicating no plan or permanently closed, Applicant is not eligible.

Section – Business Information:

This section has general questions about the applicant business or non-profit



The screenshot shows the 'COVID-19 ECONOMIC INJURY DISASTER LOAN' application interface. At the top, there are three steps: 'DISCLOSURES', 'BUSINESS INFORMATION', and 'BUSINESS INFORMATION'. The 'BUSINESS INFORMATION' step is currently active and highlighted in blue. Below the step indicator, it says 'Step 1 of 3' and 'Business Information'. The main field is labeled 'Business Legal Name' with a red asterisk and a note: '(Sole proprietors or independent contractors without a legal name)'. A red vertical bar is visible on the left side of the input field.

Field – Business Legal Name:

The legal name of the business or non-profit organization is the official name for which IRS issued the Employer Identification Number (EIN), and the one used to file tax returns/reports.

Please note that the exact name and address used for prior tax filings are critical to completing the IRS Form 4506-T, so that IRS will accept and provide the tax transcript data to SBA in a timely manner. The address listed here must be an exact match to the 2019 (or 2020 the Applicant did not operate in 2019) tax filings with the IRS.

Field – Organization Type:

The Applicant must check which type of organization under which it operates and files federal taxes/reports. For example, a sole proprietor or independent contractor that files Schedule C, Corporation that files Form 1120, non-profit that files a 990 report.

Field – Is the Applicant a tribal small business concern?

Tribal small business concern: All applicants must have a unique identification number. This is usually an Employer Identification (EIN) number or Social Security Number (SSN) issued by the IRS and the Social Security Administration respectively. The applicant business concern may use the IRS issued Tax I.D. of the Tribe if they do not operate under a separate Tax I.D. If the Applicant is operating as a separate small business concern and has its own Tax I.D., then the Applicant should use their specific EIN for the COVID-EIDL application.

Field – Please select which form was used for the Applicant business' 2019 tax return:

By selecting which type of tax form used to submit tax returns to IRS from the drop-down box, the system will be able to identify the business organization type (e.g., S-Corp., Limited Liability Company, Partnership, Sole Proprietor, Self Employed, etc.).

Field – Business TIN Type

Use the Tax I.D. number, either the EIN or SSN, uses to submit tax returns to IRS. Generally, IRS requires any business that has employees in addition to the owner, to have an EIN. Sole proprietors, self-employed, and independent contractors with no employees may use the SSN if that is what is used on the tax returns submitted to IRS.

Field – Is the Applicant a Franchise?

If operated under a franchise, Applicant must use SBA’s Franchise Directory located at <https://www.sba.gov/document/support-sba-franchise-directory> to confirm the franchise appears on the Directory. Insert the Franchise Identified Code from the Directory provided on the application. If the franchise is not on the Directory, the applicant is not eligible.

Section – Business Mailing Address

Be sure to disclose both the business mailing address and the actual physical location of the business if they are not the same.

Section – Additional Business Data

Field – Date Business in Operation:

Provide the date that the business actually opened and began making sales. This may be different than the date on which the business was organized, and the Applicant began to prepare for opening (construction, leasehold improvements, permits, etc.)

Field – Current Ownership Since:

If over 50% of the business ownership has changed since 1/31/2020, Applicant is not eligible.

Field – Business Activity:

The business activity as reported on the federal tax return, or simply stated as to what the primary business is (e.g., fast food, dry cleaner, accountant, etc.). The location of the business activity on the tax return will vary depending on the type of organization (corporation, LLC, etc.). However, the field is called “business activity” on all forms.

Field – NAICS Code:

Applicant will then need to insert business NAICS Code (six-digit business activity code) which may be found on the most recently filed federal tax return. In the event that the tax return does not contain that information,click the link to the NAICS code lookup <https://www.naics.com/search> to locate and identify the appropriate Code for the Applicant’s business and insert in the area provided on the application.

Field – Number of Employee (As of January 31, 2020):

Submit Current Number of Employees

Section – Business Financial Data

| Entity Type | IRS Form | Gross Receipts | Costs of Goods Sold | Expenses |
|-------------------------------|-----------------|----------------|---------------------|----------|
| Self-employed | 1040 Schedule C | Line 1 | Line 4 | N/A |
| Self-employed | 1040 Schedule F | Line 9 | N/A | Line 33 |
| S-Corporation | 1120-S | Line 1a | Line 2 | N/A |
| C-Corporation | 1120 | Line 1a | Line 2 | N/A |
| Cooperatives | 11201-C | Line 1a | Line 2 | N/A |
| Partnerships | 1065 | Line 1a | Line 2 | N/A |
| Privately owned nonprofit org | 990 | Line 12 | N/A | Line 18 |
| Privately owned nonprofit org | 990-EZ | Line 9 | N/A | Line 17 |

Actual 2019 Gross Revenues (aka Gross Receipts): Enter lines per the instructions below to complete the Actual Gross Revenues, and Cost of Goods Sold (COGS) (if business has zero COGS, enter zero) based on the type of tax return filed (see above). Expenses are used in place of Cost of Goods Sold for Farmers filing Schedule F and privately owned nonprofit organizations. LLCs should follow the instructions that apply to their tax filing status.

For loans up to \$500,000, the maximum eligible loan amount as determined by a formula based on the date operations began. Applicant will have the opportunity to choose the loan amount, which must be equal to or less than the maximum eligible loan amount calculated by SBA.

If Applicant business was in operation before January 1, 2019, the maximum eligible loan amount is calculated as follows:

- 2019 gross receipts or sales minus 2019 cost of goods sold multiplied by 2, or \$500,000, whichever is less
- For rental loss: Actual 2019 rent received minus actual 2020 rent received multiplied by 2, or \$500,000, whichever is less

If Applicant was in operation for part of 2019 or part or all of 2020, SBA will calculate the maximum eligible loan amount

For loans greater than \$500,000, and for any request including rental loss, SBA will underwrite the loan and provide the opportunity to choose the loan amount, which must be equal to or less than the maximum eligible loan amount calculated by SBA. As part of its underwriting, SBA will perform a cash flow analysis to confirm the business' ability to repay the proposed COVID EIDL loan as well as its existing debt obligations.

Once Applicant completed the inputs for revenues, COGS, expenses as appropriate, the system will automatically calculate the maximum eligible loan amount. Applicant will then indicate the loan amount they wish to receive, up to the eligible loan amount calculated by the system. They cannot apply for more than the Calculated Eligible Loan Amount or the cap of \$2M (whichever is lower) and are not required to apply for the full Calculated Eligible Loan Amount.

Section – Business Owners Information

The screenshot shows the 'Business Owners Information' section of the application. At the top, there is a progress bar with three steps: 'DISCLOSURES', 'BUSINESS INFORMATION', and 'BUSINESS OWNERS INFORMATION'. The current step is 'Business Owners Information'. Below the progress bar, the text reads 'Step 2 of 3 Business Owners Information'. A question is asked: 'Is the Applicant Business Owned by a Business Entity? *'. Below this is a blue header for 'Business Applicant Parent Entity'. Under this header, there are two input fields: 'Legal Name *' and 'Organization Type *', both with red vertical bars indicating required information.

Field – Business Applicant Parent Entity

If the business applying for the loan is owned by another entity and not individuals, please indicate, and provide the information for the entity that owns the applicant (the parent company or corporate owner).

Field – Individual Owner(s)

If the business applying for the loan is owned by individuals, please list the requested information for all individuals that own 20% or more of the applicant business and all general partners or managing members.

Select Add Additional Owner to submit the information for each relevant owner.

If any individual that owns 20% or more of the applicant is not a US citizen, a non-citizen national or qualified alien as described in the application, the applicant is not eligible.

Section – Additional Information

The screenshot shows the 'Additional Information' section of the application. At the top, it says 'Step 3 of 3 Additional Information'. Below this, the text reads 'REQUIRED DOCUMENTATION (These documents will be requested online later in the them):'. There is a bulleted list of required documents: 'IRS Form 4506-T, completed and signed by Applicant. Completion of this form digitally' and 'Any of the following documents demonstrating gross receipts and/or rental loss (if app)'. Under the second bullet, there are three sub-bullets: 'Business tax returns (IRS Form 1120, IRS 1120-S, IRS 1120-C, IRS 990);', 'IRS Forms 1040 Schedule C; IRS Forms 1040 Schedule F;', and 'For a partnership: partnership's IRS Form 1065 (including K-1s)'. At the bottom, the text reads 'ADDITIONAL INFORMATION MAY BE NECESSARY TO PROCESS YOUR APPLICATION. THE INFORMATION REQUEST:'.

Section – Where to Send Funds

Applicant must have an existing business bank account. Once the intake application is submitted, Applicant will be prompted to provide the Routing number and Bank account number to which the funds will be automatically deposited after approval and closing. Routing number is the bank identifying number on the bottom left corner, followed by the account number.

Upon completing of this Intake Application form, Applicant will receive SBA email inviting to complete Portal Sign-Up and Steps. Reference Portal Walk-through for Instructions to complete those steps.