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April 6, 2020

**Coronavirus Aid, Relief, and Economic Securities Act (CARES Act – H.R. 748)**

**Economic Injury Disaster Loan Emergency Advance Highlights**

**Q: What is the Emergency Injury Disaster Loan Emergency Advance?**

A: In response to the Coronavirus (COVID-19) pandemic, small business owners are eligible to apply for an Economic Injury Disaster Loan Emergency Advance of up to \$10,000. The Emergency Advance portion of the Economic Injury Disaster Loan (EIDL) was created to provide economic relief to businesses that are currently experiencing a temporary loss of revenue. The Emergency Advance portion of the EIDL does not need to be repaid and it is compatible with other financing options that are available in response to the Coronavirus Pandemic, including the Paycheck Protection Program (PPP).

**Q: How do I know if I'm eligible for an EIDL Emergency Advance?**

A: Generally speaking, if your business has less than 500 employees and was in operation on January 30th of 2020, then you are eligible for an EIDL Emergency Advance of up to \$10,000. In most cases, this also includes Sole Proprietors and Independent Contractors. Additionally, many special rules exist which can expand the Program's coverage to businesses with more than 500 employees. We encourage you to contact us to confirm your eligibility.

**Q: How do I apply for an EIDL Emergency Advance?**

A: The application for an EIDL Emergency Advance is completed as part of the application for an EIDL directly through the Small Business Administration (SBA) Website at the following link: <https://covid19relief.sba.gov/#/>. On screen #4 of the Application, by checking the box labeled 'I would like to be considered for an advance of up to \$10,000,' and submitting the Application on Screen #5, you will have successfully applied for an EIDL Emergency Advance of up to \$10,000. Even if you are ultimately not approved for an EIDL, by meeting the minimum requirements for application for an EIDL, you may still receive an EIDL Emergency Advance of up to \$10,000. Most applications can be completed in 30 minutes or less. You should be prepared with a copy of your 2019 Business Tax Return or your 2019 Year-End Profit and Loss Statement in combination with your 2019 Year-End Balance Sheet and most recently filed business tax return. We encourage you to contact us for assistance with completing your Application.

**Q: How soon can I expect to receive the Emergency Advance and what can the Funds be used for?**

A: The SBA will be attempting to provide businesses with an EIDL Emergency Advance within three days of completing a successful Application. The Emergency Advance Funds will be deposited into your bank account (bank information submitted on Screen #4 of the Application). The Funds may be used to pay fixed debt, payroll, accounts payable and other bills that could have been paid had the Coronavirus pandemic not occurred.

Full details on the program can be found at Small Business Administration by clicking [here](#).

**Contact your EHTC Tax Advisor for more information and to determine what is best for you and your business. Please leave a message at (616) 575-3482 or email [info@ehtc.com](mailto:info@ehtc.com). Thank you for choosing EHTC as your strategic partner.**