



New **“Targeted” EIDL Advance**

The COVID Relief Bill, signed into law on December 27, 2020, uses the word “targeted”, which means that your business must qualify for the EIDL Advance based on the following criteria: Your business is located in a low-income community;

- Your business has suffered an economic loss greater than 30 percent; and
- Your business employs not more than 300 employees

You, therefore, must determine if you are located in a low-income community (according to official census data and IRS rules) in order to determine if your business qualifies for the new “Targeted” EIDL Advance.

EIDL Advance Eligible Amount

The amount of your grant will be determined by the number of employees indicated on your EIDL application, which allows \$1,000 per employee, up to a maximum of \$10,000.

- EIDL Advance does not have to be repaid
- You do not have to be approved for an EIDL loan in order to receive the EIDL Advance

Applying for the EIDL Advance

Unlike a forgivable PPP loan, which you apply for with your bank, an EIDL Advance is available through the Small Business Administration (SBA). In the coming days, the SBA will provide the application online on their website <https://www.sba.gov/funding-programs/loans/coronavirus-relief-options/economic-injury-disaster-loans>.

Note: Currently, the SBA website says “EIDL Advance: NO LONGER AVAILABLE”. You should monitor this webpage and apply for an EIDL Advance as soon as it becomes available, if you qualify. The new Act has allocated only \$20 billion for EIDL Grants in low-income communities, which could run out of funding quickly, depending on the number of applicants

Disclaimer: This information is based on our current understanding of the EIDL contained in the latest stimulus bill of December 27, 2020. This information is subject to change by the SBA and possibly other governmental agencies. Although we make every effort to assure our information is current and accurate, you should not rely solely on this information for your financial decisions. You should always consult with your lawyer(s), accountant(s), financial advisor(s), and other professionals as you deem appropriate.