



COVID-19: Emergency Resources for Businesses

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Emergency Resources For Businesses and Communities

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State of Illinois COVID-19 Response

[Stay up-to-date on all things Illinois COVID-19.](#) Protecting the health, safety, and wellbeing of Illinoisans is Governor Pritzker’s top priority. The administration continues to work closely with local health departments, county officials and federal partners to put systems in place to respond to COVID-19. This website will provide the latest news releases related to coronavirus, resources, FAQs, video archives of press conferences and tips from leading experts to keep you and your family safe.



**Is your Business affected by the “Stay at Home Executive Order”?
Not sure if you are an Essential Business?**

Review this essential check list for more information:

Link: <https://www2.illinois.gov/dceo/Documents/Essential%20Business%20FAQ.pdf>

Aid to Small Businesses

Small Business Administration (SBA) Disaster Loans

The State of Illinois has received its statewide Economic Injury Declaration which means small businesses in all 102 Illinois counties may be eligible for low-interest, economic injury disaster loans up to \$2M per business. For more information, click here: <https://disasterloan.sba.gov/ela/>

Economic Injury Disaster Loans Advance Grants

The SBA is not accepting new applications at this time for the Economic Injury Disaster Loan-COVID 19 related assistance program, including EIDL Advances, based on available appropriations funding. Applicants that have already submitted an application will be processed on a first-come, first-served basis.

In addition to existing loans available under the SBA for Economic Injury Disaster Loans (EIDL), advance grants up to \$10,000 can be made to provide immediate relief for small business operating costs for entities that apply for an Economic Injury Disaster Loan. Funds will be made within three days of a successful application.

Who's eligible?

Small businesses under 500 employees (including a cooperative, Employee Stock Ownership Plan or a tribal small business), private nonprofit organizations, sole proprietorships (with or without employees), independent contractors, and small agricultural cooperatives.

When can I apply?

The SBA now has the Advance in place.

How to apply?

Applicants apply directly to the SBA. Interested borrowers can start the application process at the [SBA's website](#). The SBA notes that those who applied prior to the launch of this program on March 31st, 2020 will have to reapply through the streamlined application to be eligible for the advance. Those businesses should receive notification that is the case via email, phone, and mail to advise them of that requirement.

Where can I find more information?

- The [SBA COVID-19 response website](#) continues to be updated as more information becomes available. See Economic Injury Disaster Loans and Loan Advance.
- If a business wants to know the status of a loan, please call the Customer Service Center at 800.659.2955 to learn about your specific situation.

***Please note:** businesses CANNOT receive an economic disaster loan and a Paycheck Protection Program

loan for the same purpose. If you take advantage of an emergency EIDL grant advance up to \$10,000, that amount is subtracted from the amount forgiven up to the Paycheck Protection loan. Businesses can also refinance an EIDL into the Paycheck Protection loan for loan forgiveness purposes. Remaining portions of the EIDL, for purposes other than those laid out in loan forgiveness for a Paycheck Protection loan, remain a loan.*

Additional Non-State Resources

The City of Chicago recognizes that COVID-19 has put a difficult burden on our business and non-profit community. As a response to this challenge, the City of Chicago has established the \$100 million Chicago Small Business Resiliency Fund (the Resiliency Fund), which will provide small businesses and non-profits with emergency cash flow during this health crisis. Funds will be provided to eligible businesses as low-interest loans. To apply and find out more information visit: <https://www.connect2capital.com/partners/chicago-small-business-resiliency-fund/>

Cook County's Bureau of Economic Development has launched The [Community Recovery Fund](#) as part of the Community Recovery Initiative. This loan fund offers one-time, zero-interest loans of up to \$20,000 for small businesses and \$10,000 for independent contractors in suburban Cook County. Loans will be administered by the Chicago Community Loan Fund and provided by a network of community lenders. Applications open in mid-April on a first-come, first-serve basis.

To apply, businesses and independent contractors in suburban Cook County must meet these requirements:

- Small Businesses
- Fewer than 25 employees
- Less than \$3 million in revenue
- Gig Workers
- At least half of income from 1099 contract work
- Less than \$100,000 in gross annual income

To learn more about the initiative and sign up for updates for when the application period opens, [please complete this form](#). Updates will be sent on a regular basis.

Paycheck Protection Program

The SBA is not accepting new applications at this time for the Paycheck Protection Program based on available appropriations funding.

The SBA will provide up to \$349 billion in loans to eligible entities to help small businesses and non-profits maintain their existing workforce and pay for expenses like rent, payroll, mortgage interest and utilities.

Importantly, loans are subject to [forgiveness](#) for businesses that retain or rehire laid off employees and maintain salary levels. The SBA will forgive the portion of the loan proceeds that are used to cover the 8 weeks following the date of loan origination of payroll costs, rent, utilities and mortgage interest. No more than 25% of the forgiven amount may be for non-payroll costs.) The loans are 100% federally guaranteed under a new subsection of Section 7(a) of the Small Business Act.

The SBA provides more details on the PPP and loan forgiveness in its Interim Final Rules, including details on the calculation for loan size and what is considered payroll costs. The Interim Final Rule [is here](#).

Who is eligible?

Small businesses, 501(c)(3) nonprofits, 501(c)(9) veterans' organizations and Tribal concerns with 500 or fewer employees, or no greater than the number of employees [set by the SBA as the size standard](#) for certain industries. Sole proprietorships, self-employed individuals, and independent contractors are also eligible. [SBA affiliation standards](#) apply for nonprofits, but faith-based organizations are exempt. Additional eligibility is available.

Loan Terms

For the portion of the loan not forgiven, the balance will have an interest rate of 1%, maturity of two years, first loan payment deferment for six months. No collateral or personal guarantee is required nor is the borrower or lender required to pay any fees to the SBA.

When can I apply?

- Starting April 3, 2020, small businesses and sole proprietorships can apply for and receive loans to cover their payroll and other expenses.
- Starting April 10, 2020 independent contractors and self-employed individuals can apply for and receive loans to cover their payroll and other expenses.

How do I apply?

Borrowers may file applications directly with a registered SBA lender or federal insured depository institution, federally insured credit union, and Farm Credit System that is participating. The U.S. Treasury [released the application](#) on March 31, 2020.

You can call your local bank or find SBA-approved lenders in your area through SBA's online [Find a lender tool](#). You can also refer to this list of [active lenders in Illinois](#). Your local [Small Business Development Center](#) or [Women's Business Center](#) can also provide assistance and guide you to lenders.

Where can I find more information?

- The SBA has set up a call center for lenders having issues related to PPP. The number is 833-572-0502.
- The SBA and U.S. Treasury [released the interim final rules](#) on April 2nd, which includes guidance for the program.
- The U.S. Treasury and SBA websites both have valuable information for borrowers and lenders. The information includes the interim final rules, an FAQ, application, one-pagers and more. These websites will be the resource as more information becomes available from the SBA and Treasury on the PPP.
Continue to check back as additional details and clarity are released often.
 - o U.S. [Treasury's Assistance for Small Businesses](#) page
 - o [SBA COVID-19 response page](#)

Subsidies for Current Loan Payments

The SBA will automatically pay the principal, fees, and interest that is owed on certain existing loans for a period of six months. Interest will continue to accrue on the loans.

Who is eligible?

Current and future SBA 7(a), 504, and microloan loan holders. Future loan holders must have a loan

issued prior to September 27, 2020.

Where can I get more information?

The [SBA COVID-19 response website](#) continues to be updated as more information becomes available. See SBA Debt Relief.

Illinois Small Business Emergency Loan Fund

DCEO and the Illinois Department of Financial and Professional Regulation (IDFPR) are establishing the Illinois Small Business Emergency Loan Fund to offer small businesses low interest loans of up to \$50,000.

Businesses located outside of the City of Chicago with fewer than 50 workers and less than \$3 million in revenue in 2019 will be eligible to apply. Successful applicants will owe nothing for six months and will then begin making fixed payments at a below market interest rate for the remainder of a five-year loan term. [For more information, click here.](#)

Who is eligible?

Small businesses located outside of the City of Chicago with fewer than 50 workers and less than \$3 million in revenue in 2019 can apply. Small businesses within the City of Chicago can apply to a similar loan program [here](#).

What can loan funds be used for?

Loans can be used to support working capital.

How do businesses apply?



[Illinois Small Business Emergency Loan Fund](#)

Businesses will be able to identify a participating lender at the link above.

How much money is available?

Businesses can receive a low interest loan of up to \$50,000 with a 5 year repayment period with no payments due for the first six months.

How soon will businesses receive funds?

Eligible businesses will be invited to submit a full application beginning on March 31. Once submitted, we will strive to make a loan decision within 10 days, and make funds available within two days of receiving bank information from a business.



Downstate Small Business Stabilization Program

To support small businesses in downstate and rural counties across Illinois, DCEO is repurposing \$20 million in CDBG funds to stand up the Downstate Small Business Stabilization Program. This Fund will offer small businesses of up to 50 employees the opportunity to partner with their local governments to obtain grants of up to \$25,000 in working capital. These grants will be offered on a rolling basis.

Who is eligible?

Local governments can apply on behalf of businesses with 50 employees or less. Only cities, villages, and counties that are not a HUD direct entitlement community or located in an urban county that receives “entitlement” funds are eligible to apply.

Communities receiving an annual allocation directly from HUD on an entitlement (formula) basis are not eligible to apply for the State’s CDBG funding. Businesses located in the following counties and municipalities are therefore NOT ELIGIBLE for this program.

Urban Counties

Cook County	Madison County	DuPage County	McHenry County
Kane County	St. Clair County	Lake County	Will County

Metropolitan Cities

Arlington Heights	DeKalb	Naperville	Rock Island
Aurora	Des Plaines	Normal	Schaumburg
Berwyn	Elgin	Oak Lawn	Skokie
Bloomington	Evanston	Oak Park	Springfield
Champaign	Hoffman Estates	Palatine	Urbana
Chicago	Joliet	Pekin	Waukegan
Cicero	Kankakee	Peoria	
Danville	Moline	Rantoul	
Decatur	Mount Prospect	Rockford	

What can grants be used for?

Grants can be used to support working capital.

How do businesses apply?

Businesses in the eligible areas should work with their local governments to submit applications.



[Downstate Small Business Stabilization Application](#)

How much money is available?

Grants of up to \$25,000 per business will be available.

How soon will businesses receive funds?

DCEO’s goal is to execute grants within 30 days of application receipt, after which funds will be accessible.

Aid to Midsize Businesses

The CARES Act requires a special program through the U.S. Treasury and Federal Reserve specifically targeted at midsize businesses and nonprofits between 500-10,000 employees to provide loans, loan guarantees, and other investments. These loans will not be forgiven. The Federal Reserve created the Main Street Lending Programs on April 9th to provide \$600 billion to these entities. While program terms have been released by the Federal Reserve, the U.S. Treasury and Federal Reserve are still finalizing the program and more information will become available.

The U.S. Treasury and Federal Reserve have latitude to develop these programs, such as setting additional terms for eligible borrowers and required collateral. There are restrictions and criteria in place on businesses as enacted by the CARES Act.

Who is eligible?

Nonprofits and mid-sized businesses between 500 and 10,000 employees, or with revenues up to \$2.5 billion, that are created or organized in the U.S. or under the laws of the U.S. with significant operations in and majority of its employees based in the U.S. Businesses must be in good financial standing.

How will this work?

The U.S. Treasury provided capital to the Federal Reserve to implement the Main Street Lending Programs that will provide financing to eligible lenders, which are U.S. insured depository institutions, U.S. bank holding companies and U.S. savings and loan holding companies. Eligible borrowers will apply through eligible lenders.

Known loan terms: The loans are 4-year loans and amortization of principal and interest is deferred for one year. The loans can be from \$1 million to \$150 million and are determined depending on the situation of each applicant. More information can be found in the term sheets linked in the More Information Section.

What are the known conditions?

Borrowers must commit from using the proceeds of these loans to repay other loan balances and must refrain from repaying other debt of equal or lower priority, with the exception of mandatory principal payments. Borrowers must also attest that financing is required due to COVID-19 and that the proceeds will reasonably allow borrowers to maintain payroll and retain employees during the term of the loan.

Borrowers must also meet the requirements set forth by the CARES Act: retaining at least 90% of current workforce until September 30, 2020, at full compensation and benefits; cannot engage in stock buybacks, unless contractually obligated, or pay dividends while the loan is outstanding; no outsourcing or offshoring for two years after completing repayment; and must remain neutral in any union organization effort and not breach a collective bargaining agreement for two years after repayment.

Where can I find more information?

The Federal Reserve issued the terms of the Main Street Lending Programs on April 9th and is continuing to finalize the program. [Interested borrowers should reference the term sheets at the bottom of the page for specifics](#). Funding for loans to midsize businesses and nonprofits will be made available to banks and other lenders, as described above. Interested borrowers could also reach out to their bank for more information as it becomes available.

Aid to Larger Businesses

The U.S. Treasury and Federal Reserve announced the Federal Reserve will begin purchasing up to \$750 billion in corporate loans and bonds from large businesses through its Primary and Secondary Market Corporate Credit Facilities.

Who is eligible?

Interested participants must be a U.S. business, organized under state or federal law, and have significant operations and a majority of their employees in the U.S. Interested participants must also have at least an investment grade rating on March 22nd.

How will this work?

Funding from the U.S. Treasury allows the Federal Reserve to create a program, called a facility, to make loans to investment grade corporations and buy corporate bonds to help companies function through the COVID-19 crisis. The Federal Reserve will finance a special purpose vehicle (SPV) to make loans and purchase bonds from these facilities to companies. The loans and bonds will have a maturity of up to 4 years. The program will cease on September 30, 2020, unless it is extended by the Federal Reserve.

What are the known conditions and restrictions?

Businesses must be created or organized in the U.S. or under the laws of the U.S. with significant operations in and majority of its employees based in the U.S. and an investment grade as of March 22, 2020. Additional criteria is explained in the term sheets from the Federal Reserve linked in the More Information Section.

Where can I get more information?

Interested entities should reference the term sheets listed at the bottom of the page for Term Asset-Backed Securities Loan Facility, Primary Market Corporate Credit Facility and Secondary Market Corporate Credit Facility. More guidance from the Federal Reserve should become available soon.

Aid to All Businesses

The CARES Act makes a series of changes to the tax code that may benefit your business.

Where can I get more information for the below tax credits?

Interested businesses should consult a tax expert or reference the [IRS for updated guidance](#). The IRS website will be updated as more information becomes available. The below is meant to provide an overview of changes made.

Employee Retention Credit

[The U.S. Treasury and IRS launched the Employee Retention Credit on March 31, 2020](#). Eligible entities can receive a refundable payroll tax credit for 50% of up to \$10,000 in qualified wages for retaining idled workers on their payrolls during the COVID pandemic.

Qualified wages are based on the average number of a business's employees in 2019. If the employer had more than 100 employees on average in 2019, then the credit is allowed only for wages paid to employees who did not work during the calendar quarter. For eligible employers with under 100 employees, all employee wages qualify for the credit. The credit is capped at the first \$10,000 of compensation, including health benefits. The provision is effective for wages paid or incurred from March 12, 2020 to January 1, 2021.

Who is eligible?

Employers regardless of size and tax-exempt organizations under 501(c) of the IRS, whose operations were fully or partially suspended due to a government shut-down order or gross receipts declined by more than 50% compared to the same quarter the previous year.

Small businesses who take a Paycheck Protection Program loan are not eligible for this tax credit.

How do I receive the credit?

[See FAQ from the U.S. Treasury](#) under *"I am an eligible employer. How do I receive my credit?"*

Interested businesses should continue to reference the [IRS for updated guidance](#).

Delay Payment of Employer Payroll Taxes

All employers and self-employed individuals may defer the 6.2% employer share of Social Security taxes for two years. Fifty percent of the deferred payroll taxes are due on December 31, 2021, and the remaining amounts are due on December 31, 2022.

Additional Tax Changes

- **Business Expense Deduction Changes:** Business Expense Deduction Limits are increased from 30% to 50% for 2019 and 2020. Additional rules apply to partnerships.
- **Retail Tax:** Retailers, restaurateurs and hotels will be able to immediately deduct qualified property improvements and amend previous year filings.
- **Relaxes Net Operating Loss Limits:** Businesses will be allowed to carry net operating losses arising in the 2018, 2019, and 2020 tax years back five years. The taxable income limit is temporarily removed to allow a NOL to fully offset income for those years. Additional rules apply for life insurance companies.
- **Alternative Minimum Tax:** Corporations are able to accelerate their ability to recover the AMT credits from previous years and claim any resulting refund.

Other Technical Assistance, Information & Relief

Business Licenses

- Illinois Department of Financial and Professional Regulation (IDFPR) Licensing (IDFPR) IDFPR is providing relief from professional licensing requirements, including extensions for licenses due March through July and waivers from certain continuing education requirements.

 [IDFPR Covid-19 2020 Press Release.pdf](#)

Tax Relief

- The [IRS has released an FAQ](#) to help small and midsize businesses navigate Paid Sick and Family Leave Tax Credits.
- The Illinois Department of Revenue has provided contact info for taxpayer resources while taxpayer assistance offices and phone lines are shut down.
Link: <https://www2.illinois.gov/rev/Pages/Taxpayer-Resources-during-COVID-19-%28Coronavirus%29-Outbreak.aspx>
- Penalties and interest for late payment of sales taxes owed from February through April will be waived for eating and drinking establishments that incurred a sales tax responsibility of less than \$75,000 in CY2019.

 [Relief from Penalties for Late Sales Tax Payments COVID-19.pdf](#)

Unemployment Insurance

IDES has assembled FAQs about Unemployment Insurance and the COVID emergency

- Workers laid off due to COVID qualify for UI so long as they are prepared to return to work.
- Workers sent home due to COVID illness or quarantine, or are caring for an affected family member, are also eligible for UI coverage.
- IDES is waiving the standard 1 week wait to be eligible for UI coverage.

Link: <https://www2.illinois.gov/ides/Pages/COVID-19-and-Unemployment-Benefits.aspx>

Contact Information for DCEO Offices

Small Business Development Center Program

- Provides technical assistance and support for Illinois' small businesses
Link: <https://www2.illinois.gov/dceo/SmallBizAssistance/BeginHere/pages/sbdc.aspx>

Regional Economic Development

- Provides technical assistance and outreach to businesses across Illinois:
Email: TeamREDInquiries@illinois.gov

Minority Economic Empowerment

- Promotes opportunities for all **minority business communities including women, veterans, or persons with disabilities** across the state through targeted programs, resources and advocates
CEO.OMEE@illinois.gov

Tourism

- Promotes tourism: CEO.Tourism@illinois.gov

Employment & Training

- Provides workforce skills training to assist workers and companies: <https://www.illinoisworknet.com/>

Film

- Promotes and supports the film industry in Illinois: CEO.film@illinois.gov

For general business inquiries: 1-800-252-2923 or CEO.support@illinois.gov