

## COVID-19 Economic Injury Disaster Loans Available for Certain Non-Profit Organizations, as well as For-Profit Businesses

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Because of the COVID-19 pandemic, the [U.S. Small Business Administration](#) ("SBA") now offers a program of economic injury disaster loans to private non-profits, as well as for-profit businesses that have suffered substantial economic injury as a result of the COVID-19 pandemic. Generally, substantial economic injury means the private non-profit or business is unable to meet its obligations and pay ordinary and necessary operating expenses.

### COVID-19 Economic Injury Disaster Loans

The interest rate for small businesses is 3.75%, while private non-profits enjoy a lower rate of 2.75%. Of course, there are many variables regarding qualifying, length of payments, potential deferral, whether collateral will be required, and the maximum amount of assistance available.

Loan proceeds are available for working capital requirements, which include fixed debt payments, payroll, accounts payable and other bills that cannot be paid because of the impact of COVID-19.

The loan application process is accessed through the SBA website. There is no fee to apply.

Private non-profits and small businesses interested in the potential of an economic injury disaster loan should visit the [SBA](#) website.

#### About the Author



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