



CORONAVIRUS AID, RELIEF, AND ECONOMIC SECURITY ACT (CARES ACT)

SBA DEBT RELIEF

The CARES Act allocated \$17 billion to help small businesses cover 6 months of payments on SBA 7(a) loans. The 7(a) loan program is SBA's primary program for providing financial assistance to small businesses. If you have an existing 7(a) loan, SBA will pay the principal and interest of that current 7(a) loan for a period of 6 months. SBA will also pay the principal and interest of new 7(a) loans issued prior to September 27, 2020. Debt relief is automatic, and SBA has been directed to make payments on new 7(a) loans within 30 days of the date on which the first payment is due.

Eligibility:

- You have an SBA 7(a), 504, or microloan loan (Paycheck Protection loans and SBA Economic Injury Disaster Loans are not eligible, but payments are already deferred under those loans).
- You apply for and receive an SBA 7(a), 504, or microloan within 6 months of enactment of the CARES Act.
- Eligibility requirements for an SBA 7(a), 504, and microloans can be found [here](#).

Sources and Additional Information:

<https://www.sba.gov/page/coronavirus-covid-19-small-business-guidance-loan-resources#section-header-2>

<https://www.schatz.senate.gov/coronavirus/small-businesses/sba-debt-relief-program>

<https://www.sba.gov/local-assistance>