1. How to Fill Out Your EIDL Application | Loan Application Walkthrough - YouTube

<https://www.youtube.com/watch?v=4EVMhAZvRV0>

Transcript:

hey what's up everybody it's breaded from bench back with another walkthrough video this time of the Eid el application now it just reopened on June 15th and with PPP applications closing for June 30th with many banks already closing their applications this is going to be that next relief fund that you can try and get access to it's gonna be really easy to find all you need to do is go into Google SBA idle application and we're looking for this link right here is gonna take us directly to the

application itself that's Co vid 19 relief dot sba.gov and it's gonna take you to the first page of the application so the first page of the application is simply to verify your eligibility for the loan program itself you must choose which one of these buckets you fall under and you're going to want to choose the one that is the best representation of your business so for instance applicant is a business with not more than 500 employees you're probably gonna select that however if you're a sole proprietorship

or an independent contractor you'll see applicant is an individual who operates under sole proprietorship with or without employees or as in an independent contractor below so ensure that you are viewing all of these options and choosing the one that is most applicable and appropriate for your business once you've done that you can proceed to that second box where you're gonna have to review all of these following conditions and certify that you meet them so this is a bit of a self review process you're gonna have to

check every single one of these boxes to be eligible if there's any one of these that you cannot check you are unfortunately ineligible for an eID alone so to go through these one by one applicant is not engaged in any illegal activity as defined by federal guidelines no principle of the applicant with a 50 percent or greater ownership interest is more than 60 days delinquent on child support app obligations the applicant does not present live performances of a prairie and sexual nature or derived directly or indirectly

more than de minimis gross revenue through the sale of products or services or the presentation of any depictions or displays of a prairie and sexual nature and the applicant not drive more than one-third of gross annual revenue from legal gambling activities the applicant is not in the business of lobbying and the applicant cannot be a state local or municipal government entity and cannot be a member of Congress these last two are very important if you do have any sort of political associations or if you were

involved in a political aspect of your business it's important to understand if your activity does follow does fall into that bucket of being considered lobbying you may want to check up on that but for myself I'm just a bookkeeper I'm a one-man show so I'm just gonna select sole proprietorship check off all these boxes because last I checked I'm a good law abiding citizen I believe and we're gonna move on to that next page the next page is step one of entering in all of the necessary information that they're

gonna need to verify your business verify the loan amount all of that step one is the business information the first bit of information you'll need is the business legal name this should be consistent with what is on your tax returns all of your federal tax forms all of that as well as any Articles of Incorporation the trade name is gonna be your DBA your doing business as it can be whatever is on your bank statement your checks your invoices if it does not match your legal name it's essential that you list it here and you will be

inputting one of either your employment employment identification number or your social security number as a sole proprietorship the organization type this is very important because again there is like some overlap in these different categories it's always best to look at your tax return to try and decide which one of these you do fall into if you do have any confusion on where you are here it's best to reach out to your CPA and just understand the differences of these different organization types if there is any

confusion as to which one you might fall into is the applicant a nonprofit organization this is very important because nonprofits actually get a lower interest rate on Eid Alone's if you are a business you're going to get an interest rate of 3.75 percent if you are a non-profit you get a interest rate of 2.

75 percent so ensure that if you're a non-profit you're checking that off and that your information is consistent on your application so you can actually get access to that lower interest rate is the applicant of franchise well obviously if you're a franchisee you are still eligible for an eID l but you will have to disclose that you are a franchisee these next two boxes I think is probably what's gonna provide people with the biggest headache which is determining their gross revenues and their cost of goods sold for the twelve months prior to the date

of the disaster which is January 31st 2020 now what does that actually mean for those numbers it means you're gonna be looking at the numbers from February 1st 2019 to January 31st 2020 the gross revenues is gonna be your sales before anything like processing fees or costs of input it's just that gross sales revenue number over that period of time cost of goods sold is gonna be any sort of direct inputs you have to that final product you're selling so the comparison that I always make is the cup of coffee

if you're making a cup of coffee cost of goods sold is gonna cover things like the beans the paper cup and the sleeve that protects people's hands all of those will fall under cost of goods sold they're essential products to providing that final product that you were providing to customers now if you're a bench Cline all of this information is very easy to find if you navigate to the report section and to the income statement you can select a custom date range which again is going to cover February 1st 2019 to January 31st 2020

and those numbers can be taken straight from your income statement in the sales revenue and cost a good sold section if you have any questions about that or if you're not a bench client it's best to reach out to your bookkeeper or to start investigating your bookkeeping solution to find those numbers these next boxes are not marked with the red asterisks because they do not need to be completed if they do not apply to you but of course be thorough read them over and ensure if they do pertain to your

business that you're filling them out so if you have any rental properties and lost rent due to the disaster fill out this box with an estimate of your loss friends if you're a non-profit or agricultural enterprise you're gonna have to fill out your cost of operation for the 12 months prior to the date of the disaster that's the same date range as February 1st to 2019 to January 31st 2020 and once again if you have any confusion or if there's any ambiguity into what falls into this category

consult with your bookkeeper and look into your bookkeeping solution to see if you con the answers their compensation from other sources received as a result of the disaster is going to be any sort of other relief funds or grants or programs you may have taken advantage of over this period of the disaster so for instance if you've received a private grant for $10,000 because you're part of the restaurant industry you're gonna want to include it there as well as a brief description of what it was where

you received it so ensure that you're listing the names of the grants as well as what it pertains to and if you received from multiple grants provide all of them here as well as that number in aggregate all of this information here is just gonna be the business information and it should be consistent across all of your applications across all of your forms so you can take it straight from another form that you may have filled out already but to review you're gonna need your primary business address which cannot be a PA box that's

gonna include the city the state the country county the zip number the business phone number that they can contact you at as well as an alternative business phone if you have a second number you would like them to contact you at the business email is going to be very important that's going to be where most of the correspondence is going to be run through including any contact that you might have regarding like a loan officer as well as a confirmation number for the application itself so choose a business email that you're

closely monitoring there the date that the business was established is going to be that date the forms were submitted and you were certified as a business whereas the current ownership is going to be the date that the equity structure as it stands today was finalized so if you brought on a new partner say last June that is going to be the date that you're going to be reporting is when they joint the operations finally we're gonna be looking at the business activity which for me I'm in finance I'm

in accounting or technically bookkeeping so I'm just gonna put those in there and the number of employees as of January 31st 2020 you're gonna have to report that and that number is going to dictate your idle advance grant so the advance grant is based on $1,000 per employee if you are proprietorship independent contractor or a self-employed you're gonna put zero down in this box that does not mean you're gonna get $0 on the advance grant you're still eligible for $1,000 on the advance grant all right so we've made it

to step to the second page of the application which is now business owners information and we're gonna have to complete this form for every applicable owner as you can see here that means for each proprietor for each limited partner or LLC member who owns 20% or more interest and each general partner or managing member or each stockholder or entity owning 20% or more voting stock in your business you will also have to list out if your business is owned by a separate business entity the information you'll have to provide is the same

across all owners that's going to be their full name in the first last name a mobile phone they could be contacted at their title which if it doesn't fall into any of these buckets you can just select other as well as their ownership percent it must be 20% or above if they're going to be included on here an email they can be contacted at there's social security number their birth date place of birth whether or not they are a US citizen and then finally the residential street address including

their city state and zip number again this we can be completed for each individual additional owner so complete this for any owner that has a 20% or more interest or voting in your company so we've made it to what's going to be the last page of additional information you're gonna have to fill out to finalize your Eid out I know there's probably gonna be this rush to try and complete this now that you've gone through all of that menial details of putting on all that specific information regarding your business and

ownership but again you're gonna have to be really thorough here and make sure that you understand what you are verifying on these pages all of these additional information questions up here pertain to eligibility as well and you're gonna have to be open and honest here in the past year has the business world listed owner been convicted of a felony committed during and in connection with a riot or civil disorder or other declared disaster or ever been engaged in the production or distribution and product or service that has been

determined to be obscene by a court of competent jurisdiction to the applicant or any listed owner currently suspended or debarred from contracting with the federal government or receiving federal grants for loans are you presently subject to an indict meant criminal information arraignment or other means by which formal criminal charges are brought in any jurisdiction or within the last five years for any felony have you ever been convicted pled guilty pled nolo contendere up and placed on pretrial diversion or have been placed

on any form of parole or probation including probation before judgment so ideally you would be reporting no to each of these fields but of course be honest a report yes if one of these does pertain to you and the loan officer will reach out requesting further information anyone assists you in completing this application that's regardless of whether you paid a fee for the service or not you must enter that person's information below so if you had a CPA a bookkeeper a consultant anybody help you fill out the

forms that has been responsible in verifying that information make sure that you are listing them down here below and that you're giving permission for the SBA to discuss any portion of this application with the representative listed above the reason why you're gonna have to be consenting to this is because they are going to be trying to verify some of this information if somebody else is responsible for providing the numbers and verifying the accuracy of those numbers that's the individual that

the SBA is going to want to talk to so I'm sure that you're talking to this representative and letting them know that the SBA may be reaching out to them regarding it think of it as very similar like a reference letter on your on a job application they're gonna want to reach out to that person and just verify that everything that was reported is correct then you'll also see here this is the check box that you would like to be considered for an advance of up to $10,000 this is the advance print this

does not need to be paid back it's a tax-free grant and as I mentioned before it's gonna be predicated on the number of employees you had as of January 31st 2020 it is checked off by default I did not check this box so if you've gone through the application already and you don't remember unchecking it there's a good chance that you've applied for it already however if you are unsure it is still best to reach the SBA to verify that information finally going to fill out the bank name account number and routing number for

where they can send the funds if approved and as of course one last final certification of this above information which is all in this crazy legal language but read through it make sure that you understand it before checking the box and verifying that that information is indeed correct and pertains to you and you understand what you're certified in which case it will then allow you to complete the application by taking you to the summary page to review all the information that you submitted for one less final time

before finalizing the application the last thing that I want to just cover here is in particular with this advanced grant you're not gonna really receive any information on whether you've received it or not it's just gonna show up in your bank account so keep an eye on your bank account to see if that advanced grant has been received in addition to that taking the advanced grant does not mean you have to accept the e IDL and it does not mean you will be accepted for an e idea you can receive the advanced grant without

receiving the e idea either by choice if you don't want to take on that loan you don't want to run the balance sheet or just because you are not eligible for the loan so still apply to the e idea because the possibility of receiving that grant that does not need to be paid back so of course if anything else comes up regarding Wenli funds if another relief program pops up and there's another application that you need to be walkthrough I will be right here along with you for the journey trying to provide you with as much information as

possible to keep you equipped I highly suggest you subscribe subscribe to our YouTube channel any updates that we have will be run through here as well but in addition to that follow us on Twitter that's where we provide our more instant up-to-date information if there's any news that we think is pertinent that you should understand I will definitely put it up there otherwise if there is any more relief programs I will see you right here thank you so much for joining me today and I'll see you next time