

Recovery Grants for Vermont's Minority- & Women-Owned Small Businesses

RECOVERY GRANTS FOR VERMONT'S SMALL MINORITY/WOMEN OWNED BUSINESSES

ELIGIBILITY REQUIREMENTS

SMALL MINORITY/WOMEN OWNED BUSINESSES IN VT

Eligible business must be:

- At least 51% minority/women owned;
- Organized/registered and in good tax-standing in VT;
- Domiciled or have its primary place of business in VT;
- In operation on/before February 15;
- Open for business, or have a plan to re-open;
- Have 0 - 5 employees.



IMPACTED BY THE COVID-19 PANDEMIC



To be eligible, a business must demonstrate that as a result of the COVID-19 pandemic, it has suffered a 50% or greater loss in revenue for any monthly period between March 1 and September 1, when compared to the same period in 2019.

GRANT AMOUNT & ELIGIBLE USES

Eligible businesses who submit complete applications will be awarded grants in the amount of 10% of 2019 revenues, up to \$50,000 per business.

Economic Recovery Grants may be used to address the costs of business interruption due to the COVID-19 pandemic.



APPLICATIONS OPEN MONDAY, JULY 6!



Apply using the Vermont Agency of Commerce and Community Development (ACCD)'s grant portal at:

accd.vermont.gov/covid-19/economic-recovery-grants

Technical assistance is available.

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HOW TO PREPARE & APPLY

APPLICATIONS OPEN ON MONDAY, JULY 6TH!

Apply through the Agency of Commerce and Community Development's application portal at: accd.vermont.gov/covid-19/economic-recovery-grants
Grants will be administered on a rolling-basis in the order received until the funds are exhausted.



GATHER INFORMATION

Prepare to apply for an Economic Recovery Grant by gather the following information:

- Vermont Account Identification Number & Federal Employer Identification Number (FEIN)
- The appropriate NAICS code for your business
- Information about any compensation already received (insurance, PPP, EIDL, etc.)



PREPARE DOCUMENTS

Applicants will be required to upload the following documents in .pdf format with their applications:

- 2019 income statement broken down by month
- 2020 income statement broken down by month
- 2019 federal tax return
- 2019 Vermont state tax return
- W-9 (signed)



TECHNICAL ASSISTANCE WILL BE AVAILABLE

If you need assistance completing your application or gathering the necessary documents, help will be available. To be connected with support, visit women.vermont.gov/economic-recovery-mwbe, call (802)828-2851, or email vcw.info@vermont.gov.



LEARN MORE AT [WOMEN.VERMONT.GOV](https://women.vermont.gov)



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Preparing Your Application Documents

What is an income statement?

An income statement, also called a profit and loss, P & L, or statement of revenue and expense, shows (1) the revenues/sales before expenses/deduction, and (2) the business expenses/deductions for a specific period of time. The revenue minus the expenses equals the net profit or loss for that period of time. An income statement report should use either cash basis or accrual basis. You may use accounting software, spreadsheets, or other document programs to prepare an income statement. The tool used is less important than the format. The format should be, listed from top down: revenue first, expenses next, and net profit or loss lastly.

For example:

XYZ Company Profit and Loss Standard 2013	
Income	
Sales	1,000.00
Cost of Goods Sold	500.00
Gross Profit	500.00
Expense	
Bookkeeping	75.00
Office Supplies	200.00
Total Expense	275.00
Net Income	225.00

How do I create a monthly income statement?

See above for the accepted format. Multiple periods, such as twelve months, may be shown on one income statement report, as long as there are columns for each same length of period listed horizontally, with a total column on the far right for all periods on the report. So a twelve-month income statement report would have thirteen (13) columns: January, February, March, etc. through to December, as well as a total for all twelve months.

What is a cash basis versus an accrual basis report?

Cash basis reporting means that revenue is included on the income statement when it is received, and accrual basis reporting means that revenue is included on the income statement when it is invoiced to the customer, but payment may not yet have been received. On a cash basis report, expenses are included on the income statement when they have been paid, and on an accrual basis report when they have been incurred but not necessarily yet paid.

My business is an LLC. How do I know if I am a sole-proprietor?

The easiest way to find this out is to look at your most recently filed tax return for your business. If your business was reported on Form 1040 Schedule C, then your LLC (limited liability company) is a sole-proprietorship.

What is an FEIN or EIN?

A FEIN, also commonly called an EIN, is a federal employer identification number. This number is used to identify the business itself. It is required in some cases, such as when the business has employees. Most often business owners apply for a FEIN to limit the need to share the owner's SSNs with others. You may apply for a FEIN at irs.gov if your principal business is located in the U.S. or U.S. Territories. The person applying for a FEIN online must also have a valid taxpayer identification number (SSN, ITIN, EIN). If approved an FEIN will be issued to you immediately upon completion. It is very important not to lose the FEIN letter issued by the IRS.

Should I get an EIN if I have previously reported my business under my social security number (SSN)?

Applicants for a Vermont Emergency Economic Recovery Grant must provide an FEIN during the application process, so it may make sense to apply for a FEIN from the IRS first if you have a qualifying business.



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What is a W9?

[Form W-9](#) is a one-page IRS information form that provides your tax identification information to someone outside of your business, such as a vendor, client, financial institution, government agency, or other known account or business relationship. It is prepared by you, and given directly to whoever has requested it. The information on Form W9 is typically used to provide the requesting party with your identity information when setting up accounts and/or reporting income or other forms of payments made to you during the year. You will need to know your FEIN, legal name as filed with the IRS, type of business for tax purposes, and business mailing address.

What is a NAICS code? Where do I find mine?

The [North American Industry Classification System \(NAICS\)](#) is used by the United States, Canada, and Mexico to classify businesses by industry. Each business determines its six-digit NAICS code number based on the majority of activity at the business. When you file your federal income taxes, you provide a "business code" that is based on the NAICS number and the information for your business tax filing includes a table of those codes. Nonprofits may not have an appropriate NAICS code and per ACCD are exempt from this requirement. Common examples of where businesses may find their code on the applicable tax form: Sole Proprietors Form 1040 Schedule C Line B; S-Corporations Form 1120S line B; Partnerships Form 1065 line C.

What does the "50% or greater drop in total revenue" requirement mean?

Grants for arts and cultural organizations, outdoor recreation businesses, and women- or minority-owned businesses require those businesses to demonstrate a 50% loss in total revenue for any one-month period from March 1st, 2020 through August 31st, 2020, compared to the same month in 2019. Businesses will be required to document this loss by the upload of monthly income statements demonstrating a loss for one of the months: March, April, May, or June.

Do I need to keep track of how I spend the grant money?

Yes. You've self-attested that you meet all the program criteria to receive a grant and will spend the grant money for qualifying purposes, as well as not offset any expenses already covered by for any other COVID19 disaster assistance or reimbursement. Good recordkeeping, done in real time, will be vitally important should your grant award be audited, as well as helpful in your business recovery efforts. Please keep copies of all your expenses/receipts, as well as descriptions of what the expenses were used for.

Do I have to be a citizen?

No, you do not need to be a citizen to be eligible for this grant. Grant eligibility is determined by your business's location. Your business needs to be 'domiciled' (paying taxes or registered) or primarily doing business in Vermont.

How do they know I'm a 'woman' or 'minority' owning a business?

You will self-certify your eligibility for this grant program. This grant program uses the Vermont Agency of Administration [Building & General Services](#) consideration of these terms. If you identify as a woman or an individual from the Black, Indigenous, or People of Color (BIPOC) communities, you may be eligible for these grants.

I have more questions about getting prepared.

Join Online Live Help Sessions Sunday 7/5 – Thursday 7/9! [Access the session links here](#). In these sessions, you'll find help filling out your W9, preparing your Income Statement, finding your NAICS, and figuring out your EIN. You can also access a business counselor by emailing: info.vermont@cweonline.org.

For more information about the various grants that may be available to you, check out the [Vermont Agency of Commerce & Community Development](#) and [Vermont Department of Taxes](#) webpages.

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