CT CARES Small Business Grant Program through DECD

Overview

The Department of Economic and Community Development (DECD) has created a $50 million grant program to help small businesses in Connecticut recover from the ongoing challenges of COVID-19. Eligible businesses and nonprofits can receive a one-time $5,000 grant, with funds disbursed to approved applicants by December 30, 2020.

To learn more about the grant program and eligibility requirements, click here.
- To read DECD’s FAQs on the grant program, click here.

To apply for the $5,000 grant, CLICK HERE.
- To see a copy of what is in the application and gather your answers ahead of time, click here to view a digital copy of the application form. Please note that you must use the online application portal to be eligible. This document is provided strictly for reference.

If you’re interested in applying, don’t delay. The application opened on the evening of November 12, and will close by November 19 or sooner, depending on how many applications are received.

If you need help applying or have questions, contact us at info@ctwbdc.org or 203-914-4217 or 203-940-2478. We will answer your questions by phone/email, or book you with a WBDC Business Advisor for a more in-depth session.

Additional FAQs

The following FAQs provide information beyond what was provided in the above links.

- If I am currently closed or have closed during periods of the year due to the pandemic, can I still apply?
  Your business must have been registered as of October 1, 2019 and remain legally active. If you shut down during any period this year, or are still shut down, you must have expenses to use the funds for, and you must certify that you plan to reopen. This means that you must remain a viable business, be planning to reopen, and be planning to rehire any workers let go due to COVID as business conditions recover, and have a material financial need that cannot be overcome without the grant of emergency relief funds.
• Does my business have to have been profitable or breaking even in 2019 to apply?
  No, there is no requirement of profitability to apply. As long as you had sales in 2019 and sales in 2020, you can calculate revenue change. (See last bullet on page for how to calculate this number.)

• If I am on a payment plan for my 2019 taxes, can I apply?
  Yes. If your taxes are current or if you are on a payment plan to make them current, you are eligible to apply. The State of CT will automatically be able to check this through the CT Department of Revenue Services (DRS).

• How do I account for part-time employees for this grant?
  Part-time employees do not count towards the requirement of needing to have 20 or fewer full-time employees. For instance, if you have 5 part time employees, and 20 full-time employees, you are still eligible.

• How do I calculate my 2019 annualized payroll number?
  Pull up your 2019 payroll records. To determine the total net pay aka payroll for 2019: Add up the salaries/wages for all paid employees, full-time and part-time, during all months your business was open in 2019. Make sure to exclude withholdings for Medicare taxes, Social Security taxes, and any applicable local taxes from your calculation, as well as any paid fringe benefits. If your total payroll is less than $1.5 million, you meet the annual payroll criteria to apply. If the number is $1.5 million or greater, you must have 20 or fewer full-time employees to be eligible to apply.

• If I received COVID-19 relief funding (e.g., loans/grants through PPP, EIDL), do I have to include that income when calculating my 20% revenue loss?
  No. You should exclude income from COVID-19 relief funding in calculating your change in revenue. DECD is really focused on assessing the reduction in business volume aka sales. 

• How do I calculate a 20% revenue drop, required to be eligible to apply?
  If you were open for all of 2019: Determine your gross revenue (aka total sales) for Jan 1, 2019 – Sept 30, 2019. Then determine your gross revenue for Jan 1, 2020 – Sept 30, 2020. Now subtract the 2020 revenue number from the 2019 revenue, and then divide that number by the 2020 revenue. Then multiply the result by 100 to arrive at the percentage.

  If you were open for only some of 2019: Determine your gross revenue (aka total sales) for the period in 2019 that you were open. Now divide that number by the number of months you were open to find your average revenue per month. Now multiply that monthly revenue figure by 9 months to get a 9-month revenue figure to compare to Q1-Q3 2020. Now subtract the 2020 revenue number from the 2019 revenue, and then divide that number by the 2020 revenue. Then multiply the result by 100 to arrive at the percentage.
Example A: (if open for all of 2019)
Gross Revenue for Q1-Q3 2019 = $50,000
Gross Revenue for Q1-Q3 2020 = $40,000
$50,000 - $40,000 = $10,000
$10,000 / $50,000 = 0.20
0.20 x 100 = 20%
If above number is 20% or more, you meet revenue loss criteria to apply!

Example B: (if open for some of 2019 – 6 months as example)
Gross Revenue for time open in 2019 = $24,000
2019 revenue / # of months open = $24,000 / 6 = $4,000 revenue per month
2019 revenue per month x 9 months = $4,000 x 9 = $36,000
Gross Revenue for Q1-Q3 2020 = $20,000
$36,000 - $20,000 = $16,000
$16,000 / $36,000 = 0.44
0.44 x 100 = 44%
If above number is 20% or more, you meet revenue loss criteria to apply!

- What tax numbers do I need to apply and where can I find them?
  You will need a Social Security Number (SSN) or a Federal Employment Identification Number (FEIN) and a State Tax ID number/CT Tax Registration Number if a for-profit business. If you have employees, you must have a FEIN, and a State Tax ID number if for-profit. If you are a single member LLC or a sole proprietorship, you are not required to have a FEIN, so just use your SSN on application. If you are a non-profit, your SSN will not be required.
  
The Federal Employment Identification Number (FEIN) aka Employer Identification Number (EIN) comes from the IRS and is 9 digits (XX-XXXXXXXX). It can be found on the top right corner of your business tax return as well as on your IRS letter confirming your business is registered.
  
The CT Tax Registration Number aka State Tax ID number comes from the CT Department of Revenue Services (DRS) and is typically 11 digits (XXXXXXXXXXX). It can be found on any previously filed state tax return (Form CT-941) or correspondence from DRS. If you still cannot locate, call DRS at 860-297-5962.