

Cost of CoVictory Loans**Rough calculations by Wayne Winegarden,Ph.D. and Rod Richardson**

(Suggestions for refinements of this straw proposal analysis welcome)

Loan Term in years	5		
Avg. Interest Rate on Business Loans	7.5%		Traditional bank loan rate (2020 average) https://www.nav.com/blog/what-is-the-average-business-loan-interest-rate-37650/
Avg. Tax-free Interest Rate Discount	1.58%		assuming complete pass-through of tax-free benefits based on bond market experience
Avg. Tax free interest rate	5.93%		
Loan Amount (billions)	\$ 1,000		
Interest over period (billions)	\$ 185		
Tax rate	21%		Corporate Tax Rate
Cost to Treasury (billions)	\$ 39		