8(a) Potential for Success Requirement
Frequently Asked Questions

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What must I provide to demonstrate my business meets the Potential for Success requirement for entry into the 8(a) Business Development Program?

You must provide the following:

- Business income tax returns for each of the last two tax years that show operating revenues; **AND**
- Proof of contract performance in the applicant's primary NAICS code for the two full years immediately prior to application date, without gaps in performance.

What if my business does not meet the above requirements?

SBA *may* waive the two years in business requirement if you can provide sufficient evidence that each of the following five conditions are met:

- The individual or individuals upon whom eligibility is based have substantial business management experience;
- The applicant has demonstrated technical experience to carry out its business plan with a substantial likelihood for success if admitted to the 8(a) BD program;
- The applicant has adequate capital to sustain operations and carry out business plan as a Participant;
- The applicant has a record of successful performance on contracts from governmental or nongovernmental sources in its primary industry category; and
- The applicant has or can demonstrate ability to timely obtain the personnel, facilities, equipment, and any other requirements needed to perform contracts as a Participant.

What if my business does not meet the five conditions, or cannot provide the necessary evidence that it meets the five conditions?

- If SBA determines your firm does not meet the waiver conditions, your application will be declined, and you will be unable to reapply for 90 days from the decline date.
- SBA recommends you wait to apply for entry into the 8(a) Business Development Program until your business meets these minimum requirements to maximize your potential for success in the program.