

Initially offered as part of Cares Act in March 2020, the Employee Retention Credit (“ERC”) offers employers the ability to recoup payroll taxes paid on employees retained during the pandemic. Originally limited to 50% of \$10,000 in wages per employee paid in 2020, the program was expanded to up to 70% of \$10,000 in wages, per employee per quarter, for the first three quarters of 2021. Maximum refund could be as much as \$26,000 per employee - \$5,000 for 2020 and \$21,000 for 2021.

Qualifications:

- No more the 500 full time employees (over 30 hours a month) including common ownership for 2021, under 100 full time employees for 2020 (2019 employee count is the base)
- Revenue Test:
 - 2020 Initial revenue losses of 50% or more from any one quarter in 2020 compared to the same quarter in 2019 plus all quarters until after until revenue reaches over 80% of 2019.
 - 2021 revenue losses of 20% for the quarter or preceding 2019 quarter (for example to qualify for Q1 2021, Q4 2020 must be down 20% from Q4 2019 or Q1 2021 down 20% from Q1 2019)
- Business Test:
 - Full or partial suspension of the operation of their trade or business during any period because of governmental orders limiting commerce, travel or group meetings due to COVID-19 (e.g., restaurant/gym/salon/state 50% capacity restrictions)

Limitations:

- Employers cannot “double dip” on wages paid with funds received under either PPP or PPP round 2 programs (this is our expertise) and owners & family are not eligible.

What we offer:

- Maximize ERC and PPP Forgiveness based on analysis payroll and PPP funds received
- Research and justification of Business Test rationales and supporting government regulations supporting the Business Test arguments
- Completion of 941X refund forms
- Support for qualification follow up questions, if any
- Support for PPP forgiveness calculations to maximize forgiveness and ERC Refund

Cost:

- We charge a percentage of the ERC to align payment upon receipt of the refunds received (no payments until you have the refund due your business)

EASIER, FASTER, BETTER.
Contact us today for a no-obligation consultation.