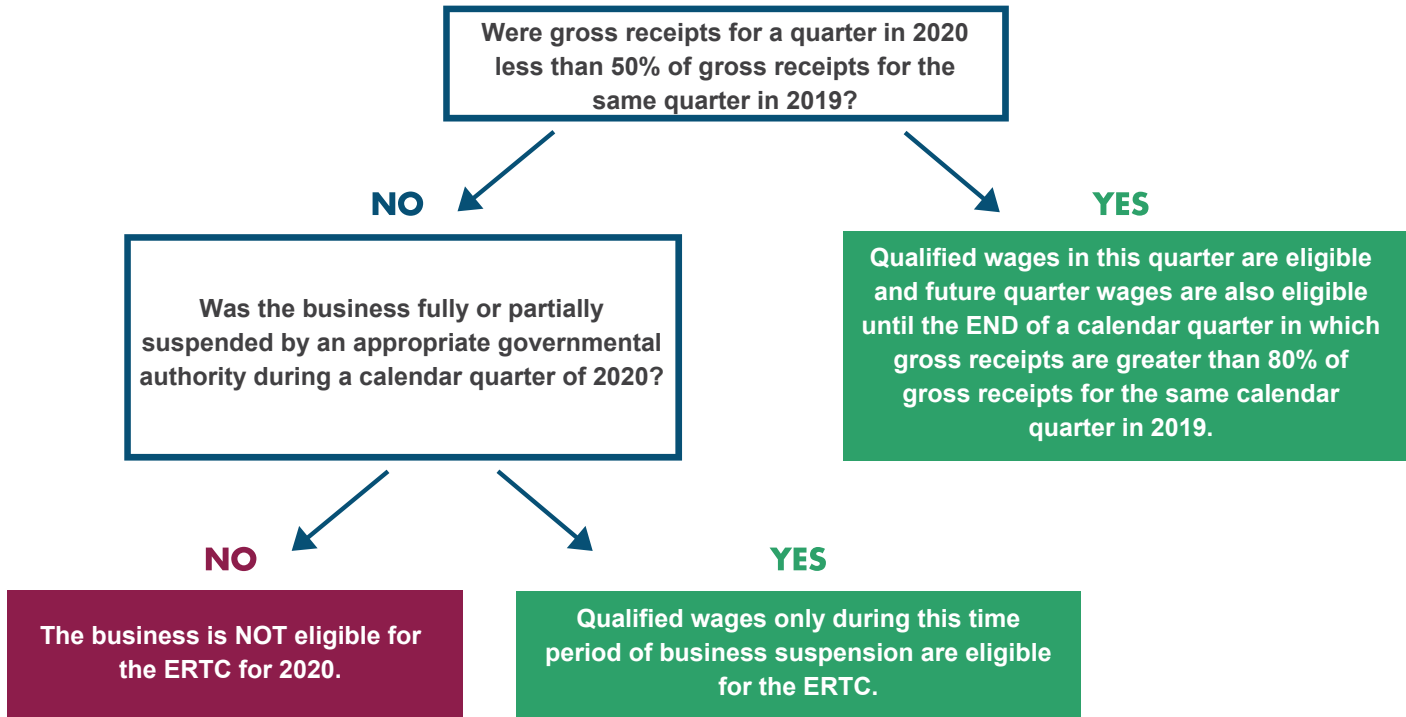


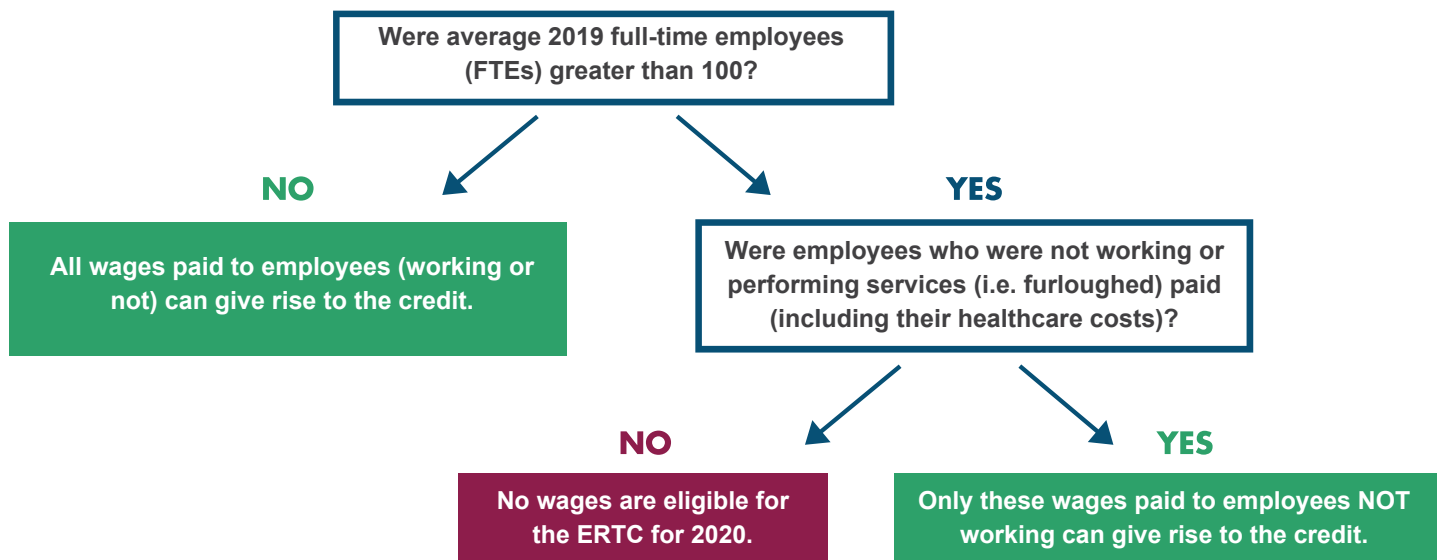
EMPLOYEE RETENTION TAX CREDIT (ERTC)

The Consolidated Appropriations Act (CAA) contains provisions to fund government operations, provides economic support to individuals and businesses and includes extensive tax law changes. One significant provision focuses on the changes to the Employee Retention Tax Credit (ERTC). Now, even businesses that received a PPP loan are eligible for the ERTC. This change is retroactive to March 13, 2020.

IS MY BUSINESS ELIGIBLE FOR THE ERTC IN 2020?



WHAT QUALIFIED WAGES ARE ELIGIBLE FOR THE ERTC?



**For the 2020 ERTC, qualified wages are those paid from March 13, 2020 to December 31, 2020. Qualified wages are limited to \$10,000 per employee for a maximum 50% credit of \$5,000 per employee.*

EMPLOYEE RETENTION TAX CREDIT (ERTC)

The Consolidated Appropriations Act (CAA) contains provisions to fund government operations, provides economic support to individuals and businesses and includes extensive tax law changes. One significant provision focuses on the changes to the Employee Retention Tax Credit (ERTC). The ERTC has been extended by the latest stimulus bill (the American Rescue Plan Act of 2021) through December 31, 2021.

IS MY BUSINESS ELIGIBLE FOR THE ERTC IN 2021?

Were gross receipts for a quarter in 2021 less than 80% of gross receipts for the same calendar quarter in 2019?
OR
Were gross receipts for the immediately preceding calendar quarter less than 80% of gross receipts for the corresponding calendar quarter in 2019?

NO

YES

Was the business fully or partially suspended by an appropriate governmental authority during a calendar quarter of 2021?

Qualified wages in this quarter are eligible.

NO

YES

The business is NOT eligible for the ERTC for 2021.

Qualified wages only during this time period of business suspension are eligible for the ERTC.

WHAT QUALIFIED WAGES ARE ELIGIBLE FOR THE ERTC?

Were average 2019 full-time employees (FTEs) greater than 500?

NO

YES

All wages paid to employees (working or not) can give rise to the credit.

Were employees who were not working or performing services (i.e. furloughed) paid (including their healthcare costs)?

NO

YES

No wages are eligible for the ERTC for 2021.

Only these wages paid to employees NOT working can give rise to the credit.

**For the 2021 ERTC, qualified wages are those paid from January 1, 2021 to December 31, 2021. Qualified wages are limited to \$10,000 per employee per quarter for a maximum 70% credit of \$7,000 per employee per quarter.*