

# EMPLOYEE RETENTION TAX CREDIT

**The Employee Retention Tax Credit (ERC) provides a compelling savings opportunity which companies and business owners can't afford to miss.**

The ERC is a refundable payroll tax credit for qualified wages paid or incurred by an employer who meet one of the following tests:

- Operations were fully or partially suspended during any calendar quarter in 2020 or 2021 due to orders from an appropriate governmental authority limiting commerce, travel, or group meetings (for commercial, social, religious, or other purposes) due to COVID-19;
- An essential business's suppliers are unable to make deliveries of critical goods or materials due to a governmental order that causes the supplier to suspend its operations; or,
- Experienced a significant decline in gross receipts during a calendar quarter compared to 2019, meaning either a 50% decline in 2020 versus 2019 or a 20% decline in 2021 versus 2019.

## HOW MUCH IS THE CREDIT?

For 2020, the refundable tax credit is 50% of up to \$10,000 in qualified wages paid by an eligible employer or a maximum credit of \$5,000 per eligible employee.

For 2021, the refundable tax credit is 70% of up to \$10,000 in qualified wages paid by an eligible employer per quarter, or a maximum benefit of \$21,000 per eligible employee.

## CONTACT US FOR ASSISTANCE

**The Employee Retention Tax Credit provides a compelling savings opportunity which companies can not afford to miss. Now is the time to explore the lucrative employee retention tax credit.**

**If you have questions about the information outlined above or need assistance with another tax or accounting issue, please contact us using the link below.**