

The Employee Retention Credit

YOUR BUSINESS SHOULD TAKE ADVANTAGE OF THIS VALUABLE STIMULUS PACKAGE BENEFIT

If your business has experienced disruptions in operations or declines in revenues created by the pandemic, much needed relief may be available to you through the Employee Retention Credit (ERC). Aprio can help your business claim and maximize its benefits.

What is the ERC?

The ERC is a refundable federal payroll tax credit designed to encourage businesses to retain their full-time employees through the COVID-19 pandemic.

- Claimed on quarterly Form 941 of your Quarterly Federal Tax Return.
- Number of employees does not affect credit eligibility.
- PPP borrowers now eligible to obtain ERC.

For more information on how Aprio can help your company claim the Employee Retention Credit, Contact:



Justin Elanjian, CPA
Partner-in-Charge,
PPP & ERC Services
justin.elanjian@aprio.com

Contact the Aprio ERC Team

Eligible Employer Shutdown Orders Suspension of Business Qualified Wages Maximum Credit per Employee	<p>The ERC applies to any private-sector business or tax-exempt organization that carries on a trade or business that was either:</p> <ol style="list-style-type: none"> Fully or partially suspended due to orders from the federal or state government limiting commerce, travel, or group meetings due to COVID-19 or, Experienced a significant decline in gross receipts during any quarter compared to that same quarter in 2019. Defined as a 50% decline in any quarter during 2020 and a 20% decline in 2021. 										
	<p>Orders, proclamations, or decrees from the federal government or a state or local government limiting commerce, travel, or group meetings due to COVID-19.</p>										
	<p>A business is deemed to be fully or partially suspended if an appropriate governmental authority imposes restrictions on the business's operations causing the business to be:</p> <ol style="list-style-type: none"> Fully suspended - Must cease all operations Partially suspended - Can still continue to operate with some, but not all normal operations 										
	<table border="1"> <thead> <tr> <th>2020</th> <th>2021</th> </tr> </thead> <tbody> <tr> <td>Compensation provided to an employee from March 13 to December 31, 2020</td> <td>Compensation provided to an employee from January 1 to December 31, 2021</td> </tr> <tr> <td>Businesses with 100+ full time employees in 2019 - The credit is only available to employees who are not providing services.</td> <td>Businesses with 500+ full time employees in 2019 - The credit is only available to employees who are not providing services.</td> </tr> <tr> <td>50% of qualified wages up to \$10,000 per year</td> <td>70% of qualified wages up to \$10,000 per quarter</td> </tr> <tr> <td>\$5,000 per employee</td> <td>\$28,000 per employee</td> </tr> </tbody> </table>	2020	2021	Compensation provided to an employee from March 13 to December 31, 2020	Compensation provided to an employee from January 1 to December 31, 2021	Businesses with 100+ full time employees in 2019 - The credit is only available to employees who are not providing services.	Businesses with 500+ full time employees in 2019 - The credit is only available to employees who are not providing services.	50% of qualified wages up to \$10,000 per year	70% of qualified wages up to \$10,000 per quarter	\$5,000 per employee	\$28,000 per employee
	2020	2021									
Compensation provided to an employee from March 13 to December 31, 2020	Compensation provided to an employee from January 1 to December 31, 2021										
Businesses with 100+ full time employees in 2019 - The credit is only available to employees who are not providing services.	Businesses with 500+ full time employees in 2019 - The credit is only available to employees who are not providing services.										
50% of qualified wages up to \$10,000 per year	70% of qualified wages up to \$10,000 per quarter										
\$5,000 per employee	\$28,000 per employee										
<p>Potential Tax Credit Total</p>											

\$33,000 per employee

About Aprio

Since 1952, clients throughout the U.S. and across more than 50 countries have trusted Aprio for guidance on how to achieve what's next. As a premier, CPA-led professional services firm, Aprio delivers advisory, assurance, tax and private client services to build value, drive growth, manage risk and protect wealth. With proven expertise and genuine care, Aprio serves individuals and businesses, from promising startups to market leaders alike.

Aprio.com

Aprio provides the following content as general guidance offered on an informational basis to assist you and your company in evaluating the program. Due to the evolving nature of the program, and the lack of final published regulations, additional changes may affect the validity or timeliness of the content. Every client situation is unique, so Aprio recommends that you consult legal counsel to determine the best outcome for your company based on your company's specific circumstances. Aprio does not represent any financial institution or serve as an agent for any financial institution, and Aprio is not responsible for the actions of any other third party.