



Employee Retention Credit Update



CARES Act Employee Retention Credit Up to \$26,000 per Employee

Why is the Employee Retention Credit (ERC) important to my business?

You may be eligible to receive a tax credit **up to \$26,000 per employee**. These are refundable payroll tax credits that can greatly impact your company's bottom line.

In late December of 2020, Congress revised relief options available to businesses affected by the pandemic, including refundable credits for retaining employees in both 2020 and 2021. This expansion of the CARES Act Employee Retention Credit (ERC) creates opportunities for previously excluded recipients of PPP.

In March 2021, the stimulus package extended the credits for another several months making employers eligible through September 30, 2021.

To be eligible, your business must have been fully or partially suspended by government orders OR experienced a reduction in year-over-year gross receipts of 50% in 2020 or 20% in 2021.

Took advantage of the PPP already?

Retroactive to the effective date included in the CARES Act, the 2020 provision:

- Provides that employers who received Paycheck Protection Program (PPP) loans now qualify for the ERC with respect to wages that are not paid for with PPP proceeds;
- Clarifies the determination of gross receipts for certain tax-exempt organizations; and
- Clarifies that group health plan expenses can be considered qualified wages even when no other wages are paid to the employee, consistent with IRS guidance.

Let us Help You:

- Determine eligibility based on full/partial suspension OR gross receipts test
- Determine eligibility even if you're an essential business or didn't see a decrease in revenue
- Review required payroll information and PPP wages
- Determine credit availability, deliver credit package, provide audit defense and support
- Look for other credit opportunities to maximize incentives

About Synergi:

- 40+ years of industry experience
- 100% focused on tax credits and incentives
- Success-based fees
- Consistent, proven, defensible model

Call EagleStone today for a complimentary evaluation of your eligibility.

Does your business qualify? Contact Tarun Mehta, President & CCO, EagleStone Tax & Wealth Advisors to learn more: tmehta@estwa.com or 301.917.9309

Think you don't qualify for the CARES Act ERC? Here are some common misconceptions:



"We don't qualify, we're an essential business."

"We don't qualify, we were profitable this year."

"Our revenue didn't drop by 20%; we don't qualify."

"We didn't shutdown, so we don't qualify."

"We're a non-profit, so we don't qualify."

"We don't qualify since we took the PPP."

What is the ERC?

The Employee Retention Credit (ERC) is a refundable payroll tax credit, up to **\$26,000** per employee, available through the CARES Act to businesses impacted by COVID-19.

<p>Education 146 Employees Avg \$13,800 Credit/Employee Estimated Credit Total \$2M</p>	<p>Health Care 2,000 Employees Avg \$5,800 Credit/Employee Estimated Credit Total \$11.6M</p>	<p>Finance 88 Employees Avg \$14,600 Credit/Employee Estimated Credit Total \$1.2M</p>	<p>Manufacturing 370 Employees Avg \$14,100 Credit/Employee Estimated Credit Total \$5.9M</p>
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"We did not think we qualified for the ERC. This credit allowed us to invest into more technologies for remote learning."

"Synergi was able to not only maximize our credits, but provide peace of mind through their consistent, proven, and defensible methods."

"A colleague recommended us to Synergi and we are sure glad they did. The Synergi team was professional, thorough, and knowledgeable."

"Due to so many different circumstances - we didn't think we qualified for the ERC. With Synergi's expertise, we were able to maximize our credits."