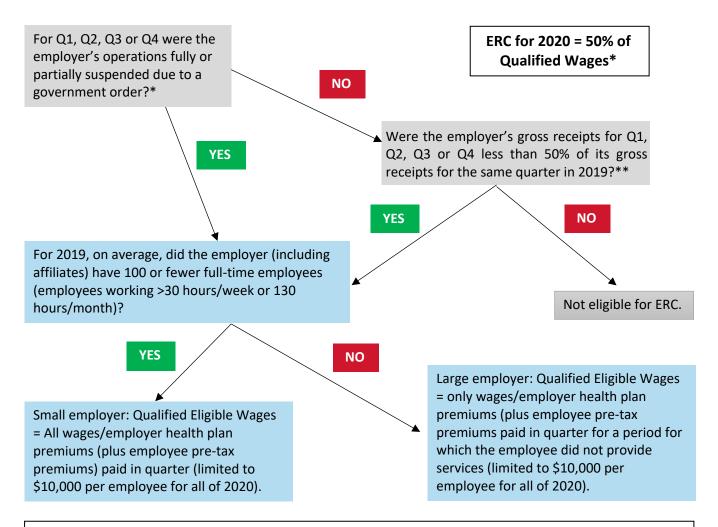


2020 Employee Retention Credit (ERC) Decision Tree



*Only the wages/health plan premiums paid during the period of the shut-down would be Qualified Eligible Wages, not the wages for the full quarter. For example, if your business was shut down under government order from April 1 – April 30, wages paid during this period are considered eligible wages under the suspension of operation test.

** For 2020: 1st applicable quarter is 1st quarter in that the revenue had a 50% or more decrease and eligibility continues until the first day of the quarter after the quarter that gross receipts increase to greater than 80% of the gross receipts of the same quarter in 2019.

NOTE for PPP Loan recipients: Qualified Eligible Wages cannot be the same wages you used for the PPP Loan forgiveness calculation.

NOTE Aggregation Rules for Related Employers: Related employers will need to be aggregated as a single employer for all aspects of the ERC.

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