

CARES Act Benefits Expanded to PPP Recipients Up To \$33,000 Per Employee

More Relief Options For Businesses Including Refundable Credits for Retaining Employees Via Expansion of the CARES Act Employee Retention Credit (ERC)

EMPLOYEE RETENTION CREDIT

You may be eligible to receive up to **\$33,000** per employee.

Took advantage of the PPP already?

Retroactive to the effective date included in the CARES Act, the 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 forgiven 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.

The provision extends and expands the CARES Act Employee Retention Credit. It also contains technical corrections to the CARES Act. Beginning on January 1, 2021, the provision:

- Increases the credit rate from 50% to 70% of qualified wages;
- Expands eligibility for the credit by reducing the required year-over-year gross receipts decline from 50% to 20% and provides a safe harbor allowing employers to use prior quarter gross receipts to determine eligibility;
- Increases the limit on per-employee creditable wages from \$10,000 for the year to \$10,000 for each quarter;
- Increases the 100 employee delineation for determining the relevant qualified wage base to employers with 500 or fewer employees;
- Allows certain public institutions to claim the credit; and
- Provides rules to allow new employers who were not in existence for all or part of 2019 to be able to claim the credit.

Comprehensive data analysis and years of experience in the industry gives us the ability to maximize credit and incentive for our clients

- ✧ Risk free consulting services
- ✧ Our fees are success-based
- ✧ Audit ready package delivered
- ✧ Consistent proven defendable model