

Employee Retention Tax Credit (ERC)

Frequently Asked Questions

These past few years have been tough for businesses who are not only struggling financially due to the pandemic, but have additional pressures on them to provide support for employees and their livelihoods. Through the ERC, you may have the opportunity to claim a largely untapped payroll tax credit first made available through the CARES Act passed in March 2020. In fact, eligible employers could potentially receive up to \$26,000¹ per qualifying employee!

Here are a few frequently asked questions around ERC and how Equifax Workforce Solutions can help you maximize your savings and drive incremental revenue - all at no out-of-pocket cost to you unless a payroll tax credit is received.

What are Employee Retention Credits?

The Employee Retention Credit is a retroactive, refundable payroll tax credit designed to reward employers for the retention of employees during the pandemic. The credit's effective dates are March 12, 2020 through September 30, 2021.

Who qualifies for ERC?

Was your business shut down (in whole or in part) between March 13, 2020 and September 30, 2021, or did you have a significant reduction in revenue compared to the same quarter in 2019? If yes, you may qualify for significant tax savings.

What are the qualifying parameters for ERC?



Here's a list of qualifying parameters that we can use to help you determine eligibility and your potential refund.

Roughly how many full-time employees (30+ hours/week) did you have in 2019?

Were your business operations fully or partially suspended because of a government order (what quarters)?

OR _____

For 2020, did your business experience a 50% reduction in quarterly receipts compared to the same quarter in 2019 (what quarters)?

OR _____

For 2021, did your business experience a 20% reduction in quarterly receipts quarter to quarter for any of these time periods?

Revenue reduced by 20% between:

- Q4 2019 to Q4 2020?
- Q1 2019 to Q1 2021?
- Q2 2019 to Q2 2021?
- Q3 2019 to Q3 2021?

Did you take a Paycheck Protection Program (PPP) loan? If yes, what timeframe was the loan allocated to paying your employees?

Was your business founded after February 15, 2020? If yes, were your 2020 Gross Receipts less than \$1M?

Roughly, how many W-2s did your business have in 2021?

What's my savings potential?

Qualifying employers may earn up to \$5,000 per employee in 2020, and up to \$7,000 per employee, per quarter through Q3 in 2021. That means each employee could potentially qualify their employer for up to \$26,000¹!

Does my company have to qualify for every quarter?

No, your company can qualify on a per quarter basis for these savings.

How are credits claimed?

Credits are claimed against a company's quarterly tax filing on Form 941 or amended within three years of filing using Form 941-X.

Is there still time to make a claim?

Yes! Tax returns can be amended for up to three years from original filing.

How can HIREtech help me?

- Equifax Workforce Solutions has a proven track record in helping businesses like yours better maximize their payroll tax credits. We will do much of the legwork and also help support your audit defense, if needed. Determining eligibility and credit due can be challenging, if not overwhelming. We have the expertise to help. We know what to expect and help you throughout the process of claiming the credit.
- Audit defense is included at no additional cost with every study, as specified in your services agreement.
- We can help you maximize this benefit.

What does it cost for this service?

Support to determine your eligibility and claim amount is provided at no out-of-pocket cost to you. Instead, fees are paid based on the claims paid to you.

Get a Free Consultation!

Contact us today to get a free consultation to help determine if your organization might qualify!

workforce.equifax.com

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