



IS YOUR BUSINESS MAXIMIZING EMPLOYEE RETENTION CREDITS (ERC)?

The Employee Retention Credit was created by the CARES Act in 2020. They are designed to encourage employers (including tax-exempt entities) to keep employees on their payroll and continue providing health benefits during the coronavirus pandemic.

Is your business maximizing all the benefits that Congress has enacted related to COVID- relief?

Employee Retention Credits

This credit is available to businesses that meet certain requirements. Eligible businesses may claim a fully refundable credit related to qualified employee wages. The ERC has gone through significant updates, so even if you and your Frost advisor have reviewed this before, we encourage you to take another look. We are finding that many business owners are prematurely disqualifying themselves due to misinformation.

Qualified Sick and/or Qualified Family Leave Credits

Under the Families First Coronavirus Response Act eligible employers are entitled to claim a refundable tax credit for employees that were paid for sick, or family leave time-related to COVID. We encourage you to reach out to your Frost business advisor to have a conversation to see if you qualify for this payroll relief.

Timing to Claim Credits

These credits are claimed through your QTRLY or Annual payroll reporting (Form 941 or Form 943). Generally, the amended returns are due within 3 years of the date the form was filed or 2 years from the date you paid the tax, whichever is later.

Act Now!

The Senate is expected to pass legislation this week that would end the ERC early. While the ERC is currently set to expire at the end of the year, the new legislation would end the ERC early, on September 30. IRS offered [further guidance Wednesday](#), even as the program may soon end.

Here at Frost, PLLC we are actively monitoring the situation and are available to help you navigate these turbulent times.

Please contact your Frost representative(s) with any questions.

Frost, PLLC