



COMMONWEALTH PAYROLL & HR



Commonwealth's ERC Credit Seeker Program does all the work for you:

- Helps you determine whether you qualify for ERC
- Reviews and compiles required payroll information
- Helps determine credit availability and avoids re-using PPP wages
- Processes credit for you including amendments to 2020 941 payroll returns

Here's how it works:

- Client completes agreement and information gathering form
- CommpayHR extracts all required payroll reporting
- Credits are calculated and presented in audit-ready package
- Credits are submitted





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

You may be eligible to receive tax credits up to \$26,000 per employee. These credits will drop directly to 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. These credits can be valued up to \$33,000 per employee.

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 business impacted by COVID-19.

			
Education 146 Employees Avg \$8,800 Credit/Employee	Health Care 2,000 Employees Avg \$5,200 Credit/Employee	Finance 88 Employees Avg \$9,600 Credit/Employee	Manufacturing 370 Employees Avg \$8,100 Credit/Employee
Estimated Credit Total \$1.2M	Estimated Credit Total \$10M	Estimated Credit Total \$844K	Estimated Credit Total \$2.9M

Powered by:



For more information:

Call (978) 599-1050 / ask for Jeff Plakans
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Think you don't qualify for the CARES Act ERC?

Here are some of the common misconceptions:



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 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.

Changes through the Consolidated Appropriations Act and the American Rescue Plan extend and expand the CARES Act Employee Retention Credit. It also contains technical corrections to the CARES Act. Beginning on January 1, 2021 and through September, 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.

Why Commonwealth?

Commonwealth offers payroll with the quality you expect – efficient, accurate, and secure – with features you didn't know you needed. An entirely customizable technology solution that integrates payroll, benefits, tracking, HR and time & attendance.

Commonwealth clients get the simple and sophisticated human capital services they need with the support of a team that knows and cares about them.

What HR or payroll problem are you trying to solve? We're confident that we have a solution for you. Please let us know how we can help!

Commonwealth Payroll & HR

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