



Employee Retention Credit

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Camino
Nuevo
Charter
Academy



October 2023

What is the Employee Retention Credit?

The Coronavirus Aid, Relief, and Economic Security Act (CARES Act), enacted on March 27, 2020, provides for an employee retention tax credit (Employee Retention Credit) that is designed to encourage Eligible Employers to keep employees on their payroll despite impacts related to COVID-19. Eligible Employers can claim the Employee Retention Credit, equal to 50 percent of up to \$10,000 in qualified wages (including qualified health plan expenses), on wages paid after March 12, 2020 and before January 1, 2021. Eligible Employers are those businesses, including tax-exempt organizations, with operations that have been fully or partially suspended due to governmental orders due to COVID-19 **OR** that have a significant decline in gross receipts compared to 2019.

Next Steps:

Tax Team:

Michael Williams, Tax Attorney

Marlen Gomez, CLA Auditor

Possible Returns (may take 9 months):

CNCA - \$2.5M

PNEDG - \$1.2M