

# EMPLOYEE RETENTION CREDIT (ERC)

## EDUCATION INDUSTRY

**IF YOU OPERATE A BUSINESS IN THE EDUCATION INDUSTRY, WERE IMPACTED BY COVID RESTRICTIONS, AND HAVE W2 EMPLOYEES--YOU ARE LIKELY ELIGIBLE TO RECEIVE ERC.**

Throughout the pandemic, schools were forced to adapt to ever-changing governmental orders. Schools shifted back and forth between online learning and significantly modified in person learning. They implemented long periods of suspended in-person extracurricular activities (e.g., sports, onsite day care, art classes, etc.). Importantly, private, or “independent” schools, and even charter schools, that kept employees on payroll during the pandemic still have the opportunity to access significant cash relief in a refundable employee payroll tax credit—the ERC. And unlike the PPP loans, the ERC was never limited by available federal funds, so any school that qualifies and applies can still find ERC relief!

Launched in March 2020, the ERC remains one of the biggest relief opportunities available to eligible schools that have been impacted by the COVID-19 pandemic. And even for those schools already beginning to recover, employers can retroactively claim the ERC based on hardships experienced during 2020 and the first three quarters of 2021. A school may be eligible because government orders restricted their operations or by showing that the it suffered a reduction in gross receipts (50% decline or 20% decline in gross receipts for the relevant quarter(s) in 2020 and 2021, respectively, as compared to the same 2019 quarter(s)).

**SCHEDULE A FREE  
CONSULTATION TODAY**



- **FULL CAMPUS SHUTDOWNS**



- **PARTIAL CAMPUS SHUTDOWNS**



- **LIMITATIONS ON SCHOOL'S ABILITY TO CHARGE FOR EXTRA-CURRICULAR/AFTER-SCHOOL ACTIVITIES**



- **MANDATED CLOSURES OF DAY-CARE SERVICES**



**\* NOTE THAT ORDERS CREATING QUALIFYING PARTIAL SUSPENSIONS WERE MORE COMMON THAN MANY EMPLOYERS AND TAX PRACTITIONERS REALIZE.**