

Important Update on Employee Retention Credit (ERC) Claims

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On September 14, 2023, the IRS announced changes to the processing of Employee Retention Credit (ERC) claims, most notably a moratorium on new ERC claims through the end of the calendar year. Citing rising concerns about improper and fraudulent claims and aggressive marketing scams, the IRS stated it would temporarily halt new ERC claims to allow for pending ERC claims to be processed – albeit at a slower pace and with enhanced scrutiny.

In addition, the IRS announced that businesses who have filed an ERC claim that has not yet been processed or paid can withdraw the claim. For those that have received the ERC refund but believe the claim was made in error, a settlement program will be made available. Further details will be provided by the IRS this fall.

The deadline to file a claim for the ERC is for calendar quarters in 2020 and 2021 is April 15, 2024 and 2025, respectively. The IRS is encouraging those considering filing a claim to carefully review the guidelines and/or talk to a qualified tax professional before proceeding.

[Click Here to read the full announcement from the IRS](#)

Please reach out to a member of your client service team with any questions.

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