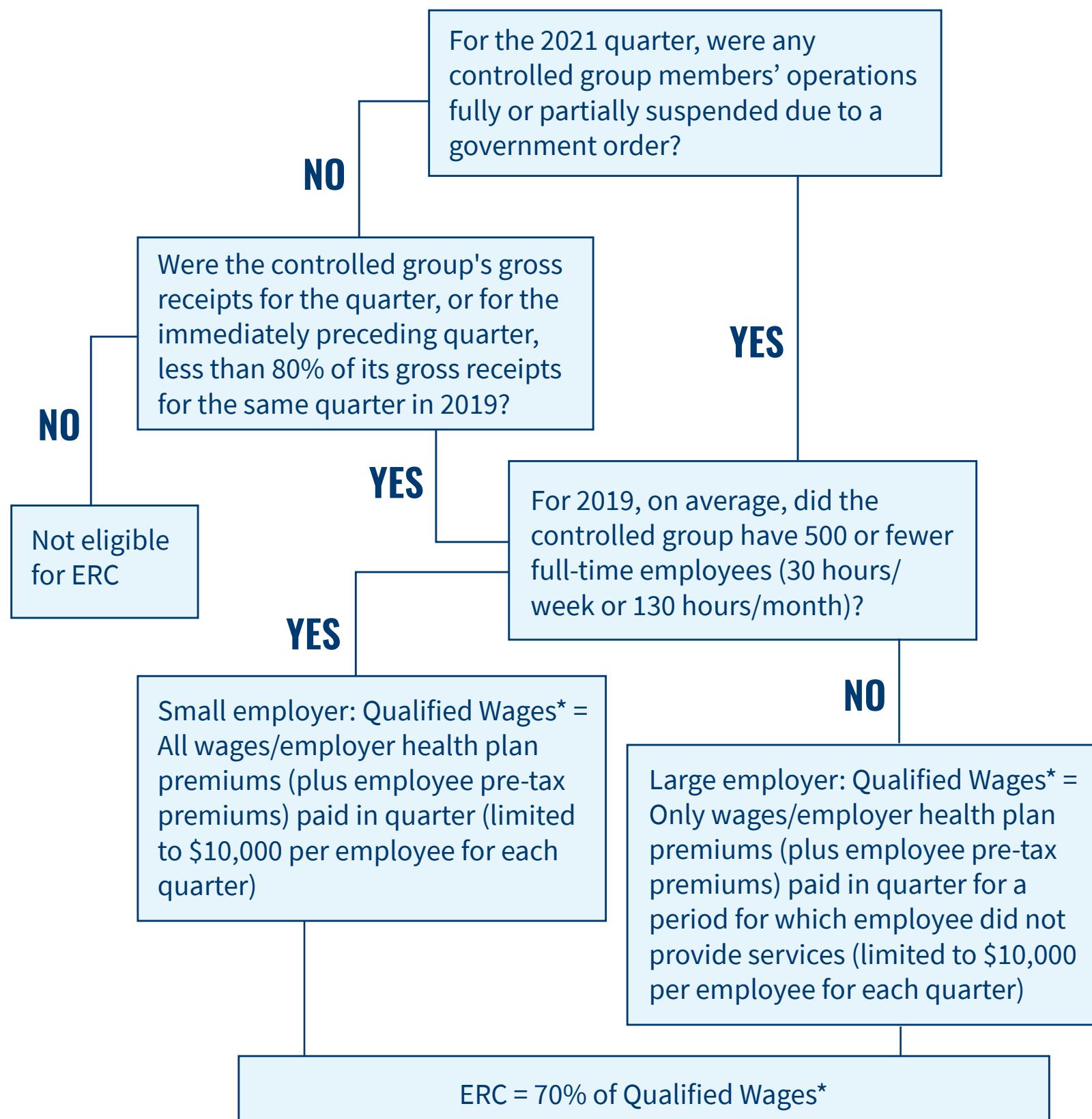


# 2021 ERC DECISION TREE

The Employee Retention Credit (ERC) offered relief to certain employers affected by COVID-19 in 2020, in the form of a fully refundable federal payroll tax credit. It was later extended to all four quarters of 2021, with certain changes – most notably the fact that Paycheck Protection Program (PPP) loan recipients can now claim these credits, subject to certain restrictions. Use the decision tree below to assess your eligibility and how much credit you may be eligible for. For more details or to learn about ERC eligibility for 2020, read [our full article](http://www.cohnreznick.com/insights/employee-retention-credit-now-available-to-ppp-recipients) ([www.cohnreznick.com/insights/employee-retention-credit-now-available-to-ppp-recipients](http://www.cohnreznick.com/insights/employee-retention-credit-now-available-to-ppp-recipients)).



\*The same wages cannot be used as both ERC Qualified Wages and to obtain PPP loan forgiveness.

\*\* Note that for Q3 and Q4 only, additional ERC eligibility opportunities have been added for "recovery startup businesses" and "severely financially distressed employers"; see our full article for details.

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