

DEANDORTON

Insights



Do you have questions about the Employee Retention Credit? The IRS has answers!

In a previous [article](#), we discussed the employee retention credit, a refundable payroll tax credit designed to encourage employers to retain employees despite experiencing economic hardship related to COVID-19. The employee retention credit was part of the Coronavirus Aid, Relief, and Economic Security (CARES) Act. Like many provisions in the CARES Act, details surrounding the employee retention credit were unclear. The IRS issued an early round of Frequently Asked Questions (FAQs) shortly after the Act's enactment. While those FAQs covered the basics, they left many questions unanswered.

Fortunately, the IRS supplemented its initial round of FAQs this week, providing answers to many nagging questions. To date, there are nearly one hundred FAQs covering a variety of topics related to the credit. As a reminder, businesses that receive a Paycheck Protection Program loan (PPL) are not eligible for the employee retention credit. However, for businesses that are ineligible or have chosen to forgo the PPL, we encourage you to check out this latest round of guidance from the IRS.

You can view the FAQs, which are organized by topic at the link below:

[READ MORE](#)