

November 2021 Issue

Employee Retention Credits Eliminated

One of the provisions of the recently passed Infrastructure Investments and Jobs Act is the elimination of the Employee Retention Credit (ERC) for Q4 2021. There is an exception for companies founded after February 15, 2020 (known as recovery start up businesses).

The termination of the credit for the fourth quarter payrolls was anticipated based on an August notice from the Internal Revenue Service (IRS) that extended the Employee Tax Credit through Q3 and Q4, but warned that pending legislation – now passed – could impact the credit.



Eligible businesses may still claim the Employee Retention Credit on qualified wages paid from March 13, 2020 through September 30, 2021. Recovery startup businesses may claim the ERC from July 1, 2021 through December 31, 2021, but are only eligible for a maximum of \$50,000 of credit per quarter.

The new maximum credit per employee that a company may claim is now \$26,000 – assuming eligibility for the maximum \$5,000 combined for all quarters of 2020 plus \$7,000 per quarter for Q1, Q2 and Q3 of 2021. Employers who are eligible for the ERC in 2021 should be mindful that their Paycheck Protection Program Round 2 forgiveness applications are due in the coming months. Maximizing the interplay between the ERC and the PPP Round 2 forgiveness can yield a “best of both worlds” result for eligible companies.

Please be sure to contact Gray, Gray & Gray at (781) 407-0300 to assess your eligibility and to help maximize stimulus opportunities available to your organization.



HAVE YOU REGISTERED?

Gray, Gray & Gray's 2021 Year End Planning Seminar

A Virtual Event



Our Year End Planning Seminar is next week! Don't miss out on the valuable discussions that will take place during this event, allowing you to take control of your future and move forward with confidence. The seminar will feature a Tax Update to discuss the impact of proposed tax changes presented by Gray, Gray & Gray Partners, [Kelly Berardi](#), [Derek Rawls](#), and [Brad Carlson](#). We have also assembled a panel of thought leaders who will cover a range of additional topics including newly emergent business opportunities, implications of the new economy on personal wealth, the red-hot M&A market, the new imperative for strategic thinking, and more. *Panelists include:*

- [Derrick Rebello](#) - Partner, Gray, Gray & Gray
- [Bryan Pearce](#) - Director of Strategic Business Planning, Gray, Gray & Gray
- [Dan Romano](#) - Chief Executive Officer & Chief Compliance Officer, Gray Private Wealth
- [Harry Hanson](#) – Partner, Feinberg Hanson
- [Paul Gabriel](#) – Chief Executive Officer & Co-Founder, Environmental Partners

How will the many pandemic-related changes experienced to date – and those still to come – impact you professionally and personally in the future? How might the recently proposed tax changes affect your business and personal financial decisions? **Get answers to these questions and more by registering today.**

Personal wealth services are provided by Gray Private Wealth.

REGISTER
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Registration Open!

The Smart Business Dealmakers Boston Virtual Conference on January 20, 2022



Gray, Gray & Gray is proud to be a co-sponsor for this major event that will focus on "the new normal in M&A", featuring speaking engagements, networking, and panel discussions, including "Getting to the Point of Sale – Preparing to Sell Your Business", a one-hour

discussion moderated by Gray, Gray & Gray Leading Partner, Jim DeLeo. During this valuable session, business owners will provide insight on what it takes to get your business ready to sell, drawing from their experiences completing their own transactions. Topics will include the best time to start planning, assembling the right team of advisors, key areas that impact valuation, understanding a Quality of Earnings review, and putting your personal exit strategy into motion. Don't miss out on this unique opportunity to hear from experienced leaders in the M&A market. We hope to see you there!

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