

[Company Letterhead / Accounting Firm Name]

[Address]

[City, State, Zip Code]

[Date]

[Client Name]

[Client Address]

[City, State, Zip Code]

Re: Opinion Letter Regarding Eligibility for Employee Retention Credit (ERC) under the Gross Receipts Decline Safe Harbor

To [Client Name/Representative]:

This letter provides our professional opinion regarding the eligibility of [Company Name] (the "Company") for the Employee Retention Credit (ERC) as established by the Coronavirus Aid, Relief, and Economic Security Act (CARES Act) and subsequent amendments.

Scope of Review

We have reviewed the Company's financial records, including federal tax filings and quarterly profit and loss statements, for the calendar years 2019, 2020, and 2021. Our analysis is focused specifically on the "Significant Decline in Gross Receipts" test as defined under Section 2301 of the CARES Act and IRS Notice 2021-20.

Regulatory Standard

A significant decline in gross receipts is defined as:

- **For 2020:** A decline in gross receipts of more than 50% in a calendar quarter compared to the same calendar quarter in 2019.
- **For 2021:** A decline in gross receipts of more than 20% in a calendar quarter compared to the same calendar quarter in 2019.
- **Alternative Quarter Election:** Employers may elect to use the immediate prior calendar quarter to determine eligibility for a 2021 quarter.

Analysis of Findings

Based on our review, the Company experienced the following qualifying decline(s):

- **[Quarter/Year]:** Gross receipts were \$[Amount], representing a [Percentage]% decline compared to \$[Amount] in [Quarter/Year 2019].

- **[Quarter/Year]:** Gross receipts were \$[Amount], representing a [Percentage]% decline compared to \$[Amount] in [Quarter/Year 2019].

Conclusion

In our professional opinion, the Company meets the "Significant Decline in Gross Receipts" safe harbor for the periods indicated above. Consequently, the Company is an "Eligible Employer" for the purpose of claiming the Employee Retention Credit for wages paid during these quarters, subject to applicable wage caps and the exclusion of wages funded by PPP loan forgiveness.

This opinion is based on the facts provided and the current tax laws and IRS guidance as of the date of this letter.

Sincerely,

[Signature]

[Name of Authorized Signatory]

[Title]

[Firm Name]