

[Date]

[Client Name]

[Client Address]

[City, State, Zip Code]

**RE: Eligibility Opinion - Recovery Startup Business (Employee Retention Credit)**

Dear [Client Contact Name],

At your request, we have reviewed the eligibility of [Company Name] (the "Company") to qualify as a "Recovery Startup Business" for the purposes of claiming the Employee Retention Credit (ERC) under Section 3134 of the Internal Revenue Code.

**Background and Facts**

Based on the documentation and representations provided by management, our understanding of the facts is as follows:

- The Company began carrying on a trade or business after February 15, 2020.
- The Company's average annual gross receipts for the three-tax-year period ending with the tax year that precedes the calendar quarter for which the credit is determined do not exceed \$1,000,000.
- The Company does not otherwise qualify for the ERC for the third or fourth quarters of 2021 based on a full or partial suspension of operations due to a governmental order or a significant decline in gross receipts.

**Analysis**

Under the American Rescue Plan Act of 2021, the definition of a "Recovery Startup Business" allows eligible employers to claim the ERC for the third and fourth quarters of 2021 (subject to a maximum credit of \$50,000 per quarter). Our analysis confirms that the Company meets the chronological commencement requirement and the gross receipts threshold as defined by the IRS guidelines.

**Opinion**

Based on the foregoing, it is our opinion that [Company Name] qualifies as a Recovery Startup Business for the [Third/Fourth] quarter(s) of 2021. Consequently, the Company is eligible to calculate and claim the credit for qualified wages paid during these periods, subject to the statutory limits.

**Limitations**

This opinion is based on the tax laws and IRS guidance in effect as of the date of this letter. Should the facts provided to us change, or should subsequent legislative or administrative actions alter the criteria, this opinion may no longer be valid.

Sincerely,

**[Signature]**

**[Name of Firm/Professional]**

**[Title]**