



**FOR IMMEDIATE RELEASE**

March 11, 2021

## **Legislative Update: Biden Signs Stimulus Package into Law that Includes 6 Month Extension of CARES Act Employee Retention Credit Now up to \$33,000 per Employee**

*Employee Retention Credit Extension to Further Economic Relief to Businesses Including PPP Recipients*

**(Florence, SC – March 11, 2021)** Today President Biden signed the [American Rescue Plan Act of 2021](#) stimulus bill into law. Among the many provisions within the legislation includes another six-month extension of the CARES Act Employee Retention Credit (ERC).

The legislation expands the ERC, a refundable payroll tax credit, to include wages for eligible employers from July 1, 2021 to December 31, 2021. In December 2020, the second relief stimulus extended the ERC to June 30, 2021 and expanded the credit to \$7,000 per employee per quarter in 2021, among other provisions.

This extension now means eligible employers can receive up to \$14,000 in additional credits per employee, or up to \$33,000 in refundable tax credits per employee. Here is the breakdown:

- Up to \$5,000 per employee per year in 2020 (50% of wages up to \$10,000)
- Up to \$7,000 per employee per quarter in 2021 (70% of wages up to \$10,000)

In addition, the American Rescue Plan Act of 2021 includes two new categories and incentives for the third and fourth quarters of 2021:

- **Recovery Startup Business** – Employers that began their business after February 15, 2020 and have annual gross receipts not exceeding \$1 million. The credit for these employers is capped at \$50,000 per quarter. Recovery startup businesses do not need to meet the government orders or gross receipts test to qualify.
- **Severely Financially Distressed Employers** – Employers whose gross receipts for the quarter are less than 10 percent of their gross receipts for the equivalent quarter in 2019. An employer in this category with more than 500 employees can credit all wages paid and does not need to meet the “not providing services” requirement.



Synergi Partners is prepared to assist you in determining eligibility, calculating, and monetizing the ERC. Our experienced team has developed a proprietary methodology, proven to be efficient and maximize your credits.

For more information on how to take advantage of these valuable tax credits, please contact Synergi Partners at 843-519-0808 or [info@synergipartners.com](mailto:info@synergipartners.com).

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#### **About Synergi Partners:**

Comprised of tax credit veterans with many years of experience serving clients of all sizes and in virtually all industries, Synergi Partners specializes in helping employers take advantage of federal and state tax credit programs, as well as disaster relief incentives.

With an executive team made up of thought leaders who have made significant contributions to the tax incentives industry, Synergi Partners' main goal is to provide the best service available and to achieve maximum value for its clients.

#### **Media Contact:**

Vanessa Tyndall

Director of Marketing

Phone: (256) 504-5635

[vtyndall@synergipartners.com](mailto:vtyndall@synergipartners.com)