

The Dental Employee Retention Credit

YOUR DENTAL PRACTICE SHOULD TAKE ADVANTAGE OF THIS VALUABLE STIMULUS PACKAGE BENEFIT.

If your practice has experienced disruptions in operations or declines in revenues created by the pandemic, much needed relief may be available to you through the CARES Act Employee Retention Credit (ERC). This credit was enhanced and Aprio can help your practice claim and maximize its benefits.

What is the Dental ERC?

The Dental ERC is a refundable federal payroll tax credit designed to encourage businesses to retain their full-time employees through the COVID-19 pandemic.

- ✓ Claimed on quarterly Form 941 of your Quarterly Federal Tax Return.
- ✓ Number of employees does not affect credit eligibility.
- ✓ PPP borrowers are now eligible to obtain the Dental ERC.



Eligible Employer

The Dental ERC applies to any private-sector business or tax-exempt organization that carries on a trade or business that was either:

- a. Fully or partially suspended due to orders from the federal or state government limiting commerce, travel, or group meetings due to COVID-19 or,
- b. Experienced a significant decline in gross receipts during any quarter compared to that same quarter in 2019. Defiant a 50 percent decline in any quarter during 2020 and a 20 percent decline in 2021.



Shutdown Orders

Orders, proclamations, or decrees from the federal government, or a state or local government limiting commerce, travel, or group meetings due to COVID-19.



Suspension of Business

A practice is deemed to be fully or partially suspended if an appropriate governmental authority, such as a dental board imposes restrictions on the business's operations causing the business to be:

- a. **Fully suspended** – Must cease all operations
- b. **Partially suspended** – Can continue to operate with some, but not all normal operations

About Aprio

Aprio Dental represents hundreds of dental practices nationally. Benefit from our deep industry expertise and comprehensive advisory services across accounting, tax, practice transitions and wealth management.



Aprio provides the following content as general guidance offered on an informational basis to assist you and your practice in evaluating the program. Due to the evolving nature of the program, and the lack of final published regulations, additional changes may affect the validity or timeliness of the content. Since every client situation is unique, Aprio recommends that you consult legal counsel to determine the best outcome for your company based on your company's specific circumstances. Aprio is not responsible for the actions of any other third party. Claims for the employee retention credit are subject to audit by the IRS, like other tax forms. Aprio offers audit representation to practices they assist in claiming the employee retention credit.

2021

2020



Qualified Wages

Compensation provided to an employee from January 1 to September 30, 2021.

Practices with 500+ full-time employees in 2019 – The credit is only available to employees who are not providing services. 70 percent of qualified wages up to \$10,000 per quarter

Compensation provided to an employee from March 13 to December 31, 2020.

Practices with 100+ full-time employees in 2019 – The credit is only available to employees who are not providing services. 50 percent of qualified wages up to \$10,000 per year



Maximum Credit Amount

\$21,000 or \$7,000
per employee per quarter

\$5,000 per employee

Frequently Asked Questions

- If my practice received a PPP loan, am I still eligible to claim for the Dental ERC?

Yes. The employee retention credit guidance has been modified to extend the availability of the credit to recipients of one or two PPP loans.

- How does an entity claim for the tax credit?

The employee retention credit is claimed by filing Form 941x, an amended quarterly federal payroll tax form.

- What is the dollar value of the credit?

The employee retention credit can be worth up to \$5,000 per employee for 2020 and up to \$7,000 per employee per quarter in 2021 subject to eligibility.

- Can Aprio defend my claim if it is subject to an IRS audit?

Claims for the employee retention credit are subject to audit by the IRS, like other tax forms. Aprio offers audit representation to practices they assist in claiming the employee retention credit.

- Can Aprio coordinate obtaining the documents with my CPA or tax preparer?

Yes, Aprio works with CPA's all over the country to mutually support a practice in claiming the dental employee retention credit.

Average
Aprio ERC
claim is



\$70,600

Schedule a free consultation to determine your eligibility.

