



## **IMPORTANT: Expiration of the Employee Retention Credit**

Dear Valued Client,

As we informed you on September 13, Congress is considering sunseting the Employee Retention Credit (ERC) after September 30, 2021, instead of December 31, 2021.

The Infrastructure Investment and Jobs Act (H.R. 3684), which contains the early expiration provision, has passed the Senate and is now in the House. The ERC early expiration provision is not slated for debate.

If the bill becomes law, employers that already claimed ERC credits against fourth quarter payroll tax liabilities would potentially be liable for additional taxes as well as penalties and interest.

To protect our clients from these liabilities, Viventium is **discontinuing the ERC for check dates after September 30, 2021.**

### **What if the bill doesn't pass the House and doesn't become law?**

This is not the expected scenario, but it could happen. In that case, your Dedicated Viventium Client Service Team will reprocess your fourth quarter payrolls to reinstate the ERC for the employees that you indicate. You will not be charged for this, and you will get your ERC refund on your fourth quarter Form 941.

### **What if I am a recovery startup business entitled to the ERC?**

The Infrastructure bill does NOT propose to sunset the ERC for recovery startup businesses. If you are a recovery startup business, please reach out to your Dedicated Client Service Team about which codes to use.

### **What if I already processed an October payroll with the ERC?**

If you already processed an October payroll with the ERC, your payroll tax account was debited for the full federal liability amount, disregarding the ERC. That means the debit

was higher than the amount on your payroll report. Your reports will be regenerated and reissued to you to reflect the discontinuation of the ERC and the actual amount debited.

In it with you,

Your Viventium Team