

03/19/2025

Internal Revenue Service

Ogden, UT 84201

EIN: 00-0000000

Taxpayer Name: 45's Business

RE: Formal Protest to ERC Disallowance for Quarter 2 2021

Tax Period: 2nd Quarter 2021

Claim Amount: [Enter Claim Amount]

Dear Appeals Officer,

We write in response to the IRS notice disallowing 45's Business's Employee Retention Credit (ERC) claim for the second quarter of 2021. The disallowance was based on an assertion that no government orders were in effect during this period that resulted in a partial suspension or significant limitation of our business operations. We respectfully disagree. Our business, a law firm located in Unknown Location, NY, experienced a significant decline in revenue as well as disruptions imposed by COVID-19 government orders that imposed operational restrictions. In this protest letter, we provide detailed information on the revenue decline during quarter 2 2021 and a comprehensive timeline of relevant government orders that directly affected our operations during this period.

Below is a timeline of COVID-19 Government Orders that were in effect and impacted our operations in Quarter 2 2021:

- **Order Name:** Proclamation 9994 – National Emergency Concerning COVID-19
 - **Order Number:** 9994
 - **Date Enacted:** 03/13/2020
 - **Date Rescinded:** Still in effect
 - **Order Summary:** This proclamation declared a nationwide emergency in response to COVID-19. It activated a wide range of federal emergency powers and funding to support continued response measures.
 - **Impact on Quarter:** The emergency status provided the legal basis for subsequent federal and local public health directives that partially suspended or limited normal operations, affecting business operations even in Quarter 2 2021.
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- **Order Name:** CDC/FAA Mask Mandates for Travel
 - **Order Number:** (None provided)

- **Date Enacted:** 01/21/2021
- **Date Rescinded:** Not during 2020–2021
- **Order Summary:** This order mandated the use of masks on airplanes, airports, trains, buses, and federal properties as a measure to reduce virus transmission during travel.
- **Impact on Quarter:** In Quarter 2 2021, these mandates continued to influence federal travel regulations and served as an integral component of the COVID-19 safety framework impacting business operations nationwide.
- **Order Name:** “Beyond the Blueprint” Reopening Order – Termination of Earlier Restrictions
- **Order Number:** Executive Order N-07-21 / State Public Health Officer Order
- **Date Enacted:** 06/11/2021
- **Date Rescinded:** Still in effect
- **Order Summary:** Issued as pandemic conditions improved, this order formally ended the statewide stay-at-home order and the Blueprint tier system, lifting most capacity limits, distancing requirements, and other COVID-19 related restrictions.
- **Impact on Quarter:** Effective mid-quarter, this order partially restored normal operations; however, its late enactment in Quarter 2 2021 meant that earlier months were still subject to limitations, thereby contributing to a partial operational suspension.

REVENUE DECLINE DATA

This section sets forth the exact revenue figures recorded for 45's Business during the relevant quarters to establish the significant decline that qualifies us for the ERC under the applicable revenue reduction thresholds. We provide a detailed narrative for Quarter 2 2021, the period under protest, followed by additional quarterly data as evidence.

For Quarter 2 2021, our business recorded EXACTLY \$345 in revenue compared to EXACTLY \$3552452345 in Quarter 2 2019, which constitutes an EXACTLY 100.00% decline. This dramatic decline in revenue clearly meets the ERC qualification threshold for 2021, where a decline of 20% or more is required.

Additional quarterly revenue data, provided for audit purposes, are as follows:

- **Q1 2021:** EXACTLY \$345 compared to Q1 2019
- **Q3 2021:** EXACTLY \$345 compared to Q3 2019

The foregoing evidence of revenue decline demonstrates that 45's Business experienced a substantial downturn in gross receipts directly attributable to the

economic impact of the COVID-19 pandemic. This, in conjunction with the operational restrictions imposed by the government orders listed above, clearly qualifies our business for the ERC under prevailing IRS guidance.

CONCLUSION AND REQUEST

In light of the exact revenue reductions and the detailed evidence of COVID-19 related government orders that partially suspended our operations during Quarter 2 2021, we respectfully request the IRS to reconsider and reverse the disallowance of our ERC claim for this period. We affirm that all provided figures and order details are presented exactly as required for audit purposes and are reflective of the severe operational and economic disruptions faced by our business.

Thank you for your attention to this matter. 45's Business has maintained its commitment to retaining employees and continuing operations under challenging circumstances, and the ERC is a vital support in achieving that objective. Please do not hesitate to contact us if further information or clarification is required.

Attestation: "Under penalties of perjury, I declare that I submitted the protest and accompanying documents, and to the best of my personal knowledge and belief, the information stated in the protest and accompanying documents is true, correct, and complete."

Sincerely,

[Authorized Representative Name]

Authorized Representative for 45's Business

ENCLOSURES:

- Copies of Government Orders and Relevant Excerpts
- Detailed ERC Calculation for Quarter 2 2021
- IRS Guidance and Notices Relevant to ERC Eligibility