

04/07/2025

Internal Revenue Service

Ogden, UT 84201

EIN: 24-215123

Taxpayer Name: Eldenism

RE: Formal Protest to Disallowance of ERC Claim for Q2 2020

Tax Period: Q2 2020 (202004–202006)

Dear Appeals Officer,

We write in response to the notice disallowing Eldenism’s Employee Retention Credit (ERC) claim for the second quarter of 2020 on the basis that “no government orders were in effect” to cause a partial suspension of business operations. We respectfully disagree. Multiple federal, state, county, and city government orders were active during Q2 2020 that imposed COVID-19–related restrictions on our business, thereby partially suspending our normal operations. In the following timeline, we provide detailed information on each pertinent government order using the required format.

- **Order Name:** Proclamation 9994 – National Emergency Concerning COVID-19
- **Order Number:** Proclamation 9994
- **Date Enacted:** 03/13/2020
- **Date Rescinded:** Still in effect
- **Order Summary:** This proclamation declared a nationwide emergency due to the COVID-19 outbreak, activating federal emergency powers and indirectly enabling state and local public health measures. It served as the legal foundation for subsequent government orders that imposed restrictions on business activities.
- **Impact on Quarter:** The national emergency ensured that Eldenism was subject to enhanced safety guidelines and restrictions, thereby contributing to the partial suspension of our business operations during Q2 2020.
- **Order Name:** State of Emergency Proclamation – California COVID-19 State of Emergency
- **Order Number:** N/A
- **Date Enacted:** 03/04/2020
- **Date Rescinded:** Still in effect

- **Order Summary:** Governor Newsom's declaration of a state emergency in California empowered state officials to issue sweeping public health orders to mitigate the spread of COVID-19. This proclamation established a framework under which all subsequent COVID-related restrictions were implemented.
- **Impact on Quarter:** The declaration forced businesses statewide, including Eldenism, to operate under tightened restrictions and social distancing requirements, contributing to a significant curtailment of normal operations in Q2 2020.
- **Order Name:** Executive Order N-33-20 – Statewide “Stay-at-Home” Order
- **Order Number:** EO N-33-20
- **Date Enacted:** 03/19/2020
- **Date Rescinded:** 06/15/2021
- **Order Summary:** This order mandated that all residents remain at home except for essential activities, requiring the closure or severe limitation of non-essential business operations. It clearly delineated which sectors could continue operating under strict conditions.
- **Impact on Quarter:** As Eldenism was not categorized as an essential business under this directive, our operations were forced to significantly limit or suspend in-person activities during Q2 2020, thereby resulting in a partial suspension.
- **Order Name:** State Public Health Officer Order (Stage 2 Reopening) – Modifying Stay-at-Home Order
- **Order Number:** Order issued under EO N-60-20
- **Date Enacted:** 05/07/2020
- **Date Rescinded:** 06/15/2021
- **Order Summary:** This order allowed lower-risk businesses to reopen with modifications while still enforcing robust health and safety protocols. It marked a gradual easing of the original stay-at-home mandates yet maintained restrictions that limited full operational capacity.
- **Impact on Quarter:** Although it permitted limited reopening, Eldenism was still subject to modified operations and restrictions during Q2 2020, reflecting a partial suspension of our normal business activities.
- **Order Name:** Stay Well at Home Order – Ventura County
- **Order Number:** Issued by the Ventura County Health Officer on 03/20/2020
- **Date Enacted:** 03/20/2020
- **Date Rescinded:** 06/15/2021
- **Order Summary:** This county order directed residents to remain at home and mandated the closure of all non-essential businesses, thereby reinforcing

state-level stay-at-home measures through local enforcement. It required strict adherence to social distancing and safety protocols across Ventura County.

- **Impact on Quarter:** Eldenism, located in Camarillo within Ventura County, was compelled to curtail in-person operations and shift to alternative methods, evidencing a clear partial suspension of regular business activities during Q2 2020.
- **Order Name:** Local Emergency Proclamation – Camarillo
- **Order Number:** EOC Director Order No. 20-1
- **Date Enacted:** 03/13/2020
- **Date Rescinded:** Still in effect
- **Order Summary:** The City of Camarillo declared a local emergency to mobilize its Emergency Operations Center, thereby enabling the rapid deployment of COVID-19 safety measures, including the closure of city facilities and cancellation of public events. This proclamation provided the authority for the city to enforce local health directives.
- **Impact on Quarter:** As a result of the local emergency, Eldenism was required to adjust its operations in compliance with municipal restrictions, further contributing to the partial suspension of our normal business activities during Q2 2020.

In summary, contrary to the disallowance's assertion, numerous government orders were active during Q2 2020, all of which mandated restrictions that directly led to a partial suspension of operations for Eldenism. These orders—ranging from federal proclamations and state emergency declarations to county and city-level directives—collectively demonstrate that our business was significantly impacted by government-imposed COVID-19 measures.

We respectfully request that the IRS reconsider and reverse the disallowance of our ERC claim for Q2 2020. Eldenism's claim is fully supported by the documented government orders that effectively curtailed our operations during this period. Thank you for your prompt attention to this matter. Please do not hesitate to contact us if further information is required.

Sincerely,

[Authorized Representative Signature]

[Authorized Representative Name]

**ELDENISM**

**ENCLOSURES: COPIES OF GOVERNMENT ORDERS AS DETAILED ABOVE**