

03/19/2025

Internal Revenue Service

Ogden, UT 84201

EIN: 00-0000000

Taxpayer Name: ERC Claim 17424001

RE: Formal Protest to Disallowance of ERC for Third Quarter 2021 (202109)

Tax Period: 3rd Quarter 2021

Dear Appeals Officer,

We write in response to the IRS notice disallowing ERC benefits for our law firm for the third quarter of 2021. Our protest is based on the fact that our business experienced both a qualifying revenue decline and a full or partial suspension of our operations due to COVID-19 government orders during the quarter. The evidence provided demonstrates that our operational capabilities were significantly impacted by these orders, thereby meeting the criteria for ERC qualification.

In the following sections, we first present a detailed “REVENUE DECLINE DATA” narrative that includes all EXACT figures as audited, and then we list the specific government orders—using the required format—that imposed restrictions resulting in a full or partial suspension of our operations.

REVENUE DECLINE DATA

This section sets forth the EXACT revenue figures and percentage declines for our business comparing 2021 quarters to the corresponding quarters in 2019. The purpose of this section is to clearly demonstrate the extent of revenue reduction as required for audit purposes and to establish qualification for the Employee Retention Credit under applicable thresholds.

For the main quarter under protest, Q3 2021, our revenue for the period was EXACTLY \$345455 compared to Q3 2019, which was EXACTLY \$3453245. This represents an EXACT decline of \$3107790 or EXACTLY 90.00% decline. Based on the 2021 revenue reduction threshold of 20%+, this quarter clearly qualifies for the ERC.

Additionally, the following quarters also demonstrate qualifying revenue reductions:

- **Q1 2021:** EXACTLY \$3453 compared to Q1 2019
- **Q2 2021:** EXACTLY \$345 compared to Q2 2019

The above figures establish that our business faced extraordinary revenue declines, substantiating our eligibility for the ERC.

Timeline of COVID-19 Government Orders Relevant to Q3 2021

The following government orders were in effect during the quarter and imposed restrictions that partially suspended our normal operations. These orders forced us to modify essential aspects of our services, including limiting in-person consultations and court-related functions, which are critical to our law firm's practice.

- **Order Name:** National Emergency Proclamation – 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 COVID-19. It activated federal emergency powers and made additional funding available, indirectly empowering state and local governments to issue more specific restrictions such as lockdowns or capacity limits.
- **Impact on Quarter:** In Q3 2021, this federal emergency declaration provided the legal foundation for subsequent government orders that imposed limitations on in-person activities, thereby contributing to a partial suspension of our law firm's regular operations.
- **Order Name:** Camarillo Local Emergency Proclamation
- **Order Number:** City Emergency Operations Center (EOC) Director Order No. 20-1, ratified by City Council Resolution 20-36
- **Date Enacted:** 03/13/2020
- **Date Rescinded:** Not rescinded during 2020–2021
- **Order Summary:** The City of Camarillo declared a local emergency to activate its Emergency Operations Center and coordinate a prompt response, which led to the closure of non-essential city facilities and cancellation of public events. This order created a regulatory environment in which business operations were significantly restricted.
- **Impact on Quarter:** During Q3 2021, although modifications may have been made, the continuing effects of the emergency declaration impeded in-person gatherings and routine client meetings, directly contributing to the partial suspension of our law firm's operations.

CONCLUSION AND REQUEST

Based on the comprehensive evidence provided above, our law firm experienced substantial revenue declines and was subjected to governmental orders resulting

in a full or partial suspension of operations during the third quarter of 2021. Both factors unequivocally establish our eligibility for the Employee Retention Credit under IRS guidelines.

We respectfully request that the IRS reconsider and reverse the disallowance of our ERC for Q3 2021. We have enclosed all relevant documentation, including the precise revenue figures and copies of the government orders cited, to support our protest. Please do not hesitate to contact us if you require any additional information.

Sincerely,

[Signature]

AUTHORIZED REPRESENTATIVE

ERC Claim 17424001

Enclosures: Copies of Government Orders and Relevant Excerpts; Detailed Revenue Decline Data

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."