

3/24/2025

Internal Revenue Service
Ogden, UT 84201

EIN: 32-145234

Taxpayer Name: wECCM

RE: Formal Protest to Letter [Insert Letter Number] – ERC Disallowance for Q2 2020

Tax Period: 2nd Quarter 2020 (202004)

Claim Amount: [Insert Claim Amount]

Dear Appeals Officer,

We are writing in response to the IRS notice disallowing wECCM's Employee Retention Credit (ERC) claim for the second quarter of 2020. The disallowance was premised on the assertion that no government orders were in effect during Q2 2020 that led to a partial suspension of our operations. We respectfully dispute this conclusion. Multiple federal, state, county, and city government orders were active during Q2 2020, and they imposed COVID-19-related restrictions that significantly curtailed our normal business operations. In support of our claim, we provide below a detailed timeline of the relevant government orders and a presentation of quarterly revenue data that clearly demonstrates a substantial decline in revenue during this period.

Timeline of COVID-19 Government Orders Active in Q2 2020

- **Order Name:** Executive Order N-33-20 – Statewide “Stay-at-Home” Order
- **Order Number:** N-33-20
- **Date Enacted:** 03/19/2020
- **Date Rescinded:** 06/15/2021
- **Order Summary:** This sweeping order mandated that all individuals remain at home except for essential activities, leading to the closure of non-essential business operations across the state. It required businesses to suspend in-person services and shift to remote operations wherever possible.
- **Impact on Quarter:** For Q2 2020, this order required wECCM to significantly curtail its in-person business operations, thereby contributing to a partial suspension of normal activities.
- **Order Name:** State Public Health Officer Order (Stage 2 Reopening) – Modifying Stay-at-Home (Early Stage 2)
- **Order Number:** N-60-20
- **Date Enacted:** 05/07/2020
- **Date Rescinded:** 06/15/2021
- **Order Summary:** This order relaxed some of the strict stay-at-home mandates by permitting limited reopening of lower-risk business operations with modifications such as curbside service. It maintained limitations on higher-risk activities while gradually easing restrictions.
- **Impact on Quarter:** In Q2 2020, this order allowed wECCM to implement limited operational modifications; however, significant restrictions and reduced customer access continued to apply.
- **Order Name:** Stay Well at Home Order (Ventura County)
- **Order Number:** N/A
- **Date Enacted:** 03/20/2020
- **Date Rescinded:** 06/11/2021
- **Order Summary:** This county order required all Ventura County residents to remain at home except for essential needs, resulting in the closure of non-essential businesses. It reinforced state-level mandates

and imposed local enforcement of COVID-19 restrictions.

- **Impact on Quarter:** For Q2 2020, this order further constrained wECCM's operations by limiting the ability to conduct normal business activities within Ventura County.
- **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:** This proclamation declared a local emergency in Camarillo by activating the city's Emergency Operations Center, thereby enabling the swift implementation of COVID-19 safety measures and business restrictions.
- **Impact on Quarter:** In Q2 2020, the local emergency status supported the enforcement of various COVID-related restrictions, further contributing to operational challenges for wECCM.
- **Order Name:** Camarillo Eviction Moratorium Orders – Citywide Moratorium on Evictions
- **Order Number:** EOC Director Order No. 20-2
- **Date Enacted:** 03/18/2020
- **Date Rescinded:** 08/31/2020
- **Order Summary:** This order imposed a temporary ban on both residential and commercial evictions to protect tenants facing COVID-19–related financial hardships. It aimed to provide stability to businesses and residents by preventing displacement during severe economic disruptions.
- **Impact on Quarter:** During Q2 2020, this order offered protection against potential displacements, indirectly supporting wECCM's continuity despite severe revenue reductions caused by the imposed operational restrictions.

REVENUE REDUCTION DATA

In addition to the government orders discussed above, we are submitting quarterly revenue data that demonstrates the revenue reductions for wECCM. The following table presents the quarterly revenue amounts and percentage changes for comparison purposes.

Quarter	2019 Revenue	Comparison Revenue	Dollar Decline	% Decline	QUALIFIES
---------	--------------	--------------------	----------------	-----------	-----------

Q1 2019-2020	\$1,234,125.00	\$424.00	\$1,233,701.00	99.97%	YES
Q2 2019-2020	\$352,341.00	\$12,451.00	\$339,890.00	96.47%	YES
Q3 2019-2020	\$213,512.00	\$3,412,324.00	\$3,198,812.00	-1498.19%	NO
Q4 2019-2020	\$341,254.00	\$424.00	\$340,830.00	99.88%	YES
Q1 2019-2021	\$1,234,125.00	\$12,442.00	\$1,221,683.00	98.99%	YES
Q2 2019-2021	\$352,341.00	\$114.00	\$352,227.00	99.97%	YES
Q3 2019-2021	\$213,512.00	\$1,515.00	\$211,997.00	99.29%	YES

As shown in the revenue table above, the quarters marked "YES" in the QUALIFIES column meet the ERC threshold for revenue decline. These revenue reductions, in conjunction with the impact of the government orders described earlier, substantiate our ERC claim for Q2 2020.

CONCLUSION AND REQUEST

In light of the detailed evidence provided above, weCCM clearly qualifies for the Employee Retention Credit for the second quarter of 2020. The government orders in effect during this period not only imposed significant restrictions on our normal operations but also directly contributed to substantial revenue declines. We respectfully request that the IRS reconsider and reverse the disallowance of our Q2 2020 ERC claim.

Thank you for your prompt attention to this matter. Should you require any additional information or documentation regarding the orders or revenue data, please do not hesitate to contact us.

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 these documents is true, correct, and complete."

Sincerely,

[Authorized Representative Name]

AUTHORIZED REPRESENTATIVE FOR weCCM

ENCLOSURES:

- Copies of Government Orders (with relevant excerpts)
- Quarterly Revenue Data Table
- Supporting Documentation for Q2 2020 ERC Claim