

03/06/2025

Internal Revenue Service

Ogden, UT 84201

EIN: 34-123124

Taxpayer Name: West Coast

RE: Formal Protest to Letter 115 – ERC Disallowance for Q4

Tax Period: 4th Quarter 2020 (202010)

Claim Amount: \$150,000

Dear Appeals Officer,

We write in response to the IRS notice disallowing West Coast's Employee Retention Credit (ERC) claim for the fourth quarter of 2020. The disallowance asserts that no government orders were in effect during the period that caused a suspension of our normal business operations. We respectfully disagree. Multiple federal, state, county, and city government orders were active during Q4 2020, imposing COVID-19–related restrictions that substantially limited West Coast's operational capacity. In this letter, we provide a detailed timeline of the relevant government orders, describe their specific impact on our business activities during Q4 2020, and explain why these orders qualify West Coast for the ERC under the partial suspension provisions.

Timeline of COVID-19 Government Orders Active in Q4 2020

- Order Name: 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- Date Rescinded: Still in effect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 establishing the framework for subsequent restrictions. It set the context for state and local governments to impose health orders that affected day-to-day business operations.
- Impact on Quarter: In Q4 2020, West Coast operated under the

continuing federal emergency, which influenced the enforcement of further local restrictions that limited our normal operating levels.

- Order Name: California COVID-19 State of Emergency
 - Order Number: (No separate number; declared by the Governor)
 - Date Enacted: 03/04/2020
 - Date Rescinded: Still in effect
 - Order Summary: The declaration empowered state authorities to mobilize resources, enforce public health measures, and issue directives that restricted business operations. It served as the legal basis for subsequent orders that altered operational capacities across the state.
 - Impact on Quarter: Throughout Q4 2020, West Coast was subject to state-level mandates derived from this emergency, which imposed capacity limitations and other operational restrictions that adversely affected revenue generation.
-
- 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 order mandated that Californians remain at home except for essential activities, resulting in the closure of non-essential businesses and the imposition of strict capacity guidelines on those permitted to operate. It required businesses to adapt their operations to comply with rigorous health protocols.
 - Impact on Quarter: Although modified by phased reopening, in Q4 2020 West Coast continued to face significant capacity restrictions and operational limitations imposed by this sweeping mandate, thereby curtailing normal business functions.
-
- Order Name: Blueprint for a Safer Economy – Color-Tier Reopening System
 - Order Number: (State Health Officer Order issued on 08/28/2020)
 - Date Enacted: 08/28/2020 (effective 08/31/2020)
 - Date Rescinded: 06/15/2021
 - Order Summary: This framework replaced blanket closures with a tier-based system that stipulated operating guidelines based on local COVID-19 risk levels. It imposed restrictions on indoor operations and limited customer capacities for affected sectors.
 - Impact on Quarter: In Q4 2020, West Coast was required to operate

under tier-based restrictions that limited indoor capacity and altered customer traffic patterns, directly impacting our ability to generate full revenue.

- Order Name: Ventura County “Red Tier” Reopening Order
 - Order Number: (Issued on 10/06/2020)
 - Date Enacted: 10/06/2020
 - Date Rescinded: 01/25/2021
 - Order Summary: This order allowed selected businesses to resume indoor operations under strict safety guidelines as local COVID-19 conditions improved, while still imposing significant limitations and capacity controls. It provided a phased reopening approach in a constrained operating environment.
 - Impact on Quarter: During Q4 2020, even as restrictions were eased under the Red Tier, West Coast continued to face limited indoor capacity and other mandated health protocols that prevented us from operating at full scale.
-
- Order Name: Local Emergency Proclamation (Camarillo)
 - Order Number: EOC Director Order No. 20-1 / City Council Resolution 20-36
 - Date Enacted: 03/13/2020
 - Date Rescinded: Still in effect
 - Order Summary: This proclamation activated Camarillo’s Emergency Operations Center and enabled local authorities to implement measures impacting business operations, including modifications to permit processes and restrictions on public gatherings. It underscored the city’s commitment to maintaining public health and safety.
 - Impact on Quarter: Throughout Q4 2020, the local emergency posture contributed to the enforcement of public health measures and regulatory adjustments that further constrained West Coast’s operational capacity.

Conclusion and Request

The assertion that no government orders were in effect during Q4 2020 is incorrect. As demonstrated, West Coast was directly impacted by a series of federal, state, county, and city orders that imposed capacity restrictions, mandated operational modifications, and limited revenue-generating activities. These orders, acting collectively and continuously during Q4 2020, meet the IRS “partial suspension” criteria for the Employee

Retention Credit.

In light of the detailed timeline and analysis provided above, we respectfully request that the IRS reconsider and reverse the disallowance of our Q4 2020 ERC. The credit claimed fully complies with IRS guidance regarding partial suspensions caused by governmental orders during the COVID-19 pandemic.

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,

Alejandra Astudillo, EA
Authorized Representative for West Coast

Enclosures: Copies of Government Orders and Relevant Excerpts; ERC Calculations for Q4 2020; Applicable IRS Guidance Documents