

03/14/2025

Internal Revenue Service

Ogden, UT 84201

EIN: 64356

Taxpayer Name: 546345

RE: Formal Protest of ERC Disallowance for Q2 2020

Tax Period: 2nd Quarter 2020 (202004–202006)

Claim Amount: [Insert Claim Amount Here]

DEAR APPEALS OFFICER:

We write in response to the IRS notice disallowing our Employee Retention Credit (ERC) claim for Q2 2020. The disallowance was based on the assertion that no government orders were in effect during the quarter that caused a suspension or significant limitation of our operations. We respectfully disagree. Multiple federal, state, county, and city government orders were active during Q2 2020, and these orders imposed restrictions on our business operations. In addition, our own revenue data substantiates that our operations were indirectly affected by these mandated restrictions. For audit purposes, we emphasize that our reported figures for this quarter are exactly as recorded: our revenue for Q2 2020 was precisely \$546345.00.

The COVID-19 pandemic led to an unprecedented regulatory environment on all levels of government. The exact orders outlined below affected our ability to conduct normal business operations during Q2 2020. In the following section, we provide a detailed timeline of the relevant government orders—each listed in the exact required format—with their full details, including the order name, identifying number or identifier, dates of enactment and rescission, a descriptive summary, and an explanation of how the order affected our business operations during this period.

Revenue Qualification Evidence

Our business, 546345, experienced a significant adverse economic impact in Q2 2020. For audit purposes, please note the following revenue details presented exactly as recorded:

- The gross receipts for Q2 2020 were exactly \$546345.00.
- This figure reflects the precise adverse impact that government-mandated limitations had on our normal operations.

We respectfully assert that the combination of these exact revenue figures together with the evidence of active government orders clearly qualifies our

business for the ERC under the “partial suspension” and revenue decline provisions.

Timeline of COVID-19 Government Orders Active in Q2 2020

- **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DATE RESCINDED: STILL IN EFFECT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 due to the COVID-19 outbreak, activating extensive federal emergency powers and authorizing the mobilization of resources to address the pandemic. It did not directly mandate business closures but established the legal framework that enabled subsequent state and local restrictions.

Impact on Quarter: In Q2 2020, although our business was not forced to close outright by the federal proclamation, the national emergency provided the basis for subsequent statewide and local orders that curtailed our normal operations.

- **Order Name:** State of Emergency Proclamation – California COVID-19 State of Emergency

ORDER NUMBER: NO SPECIFIC ORDER NUMBER

DATE ENACTED: 03/04/2020

DATE RESCINDED: STILL IN EFFECT

Order Summary: This proclamation by the Governor of California declared a state of emergency, thereby authorizing state agencies to implement necessary public health orders and restrictions. It set the legal precedent for mandatory shutdowns and capacity limitations affecting non-essential businesses.

Impact on Quarter: The state of emergency mandated by this proclamation contributed to a regulatory environment in Q2 2020 where our business operations were required to adapt to significant restrictions, directly affecting our 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 required that all Californians remain at home except for those engaged in essential activities or operations. It mandated the closure or severe limitation of non-essential businesses, enforcing strict guidelines for operational capacity and public safety.

Impact on Quarter: During Q2 2020, our business was forced to either cease in-person operations or operate at significantly reduced capacity, leading to tangible revenue declines as reflected in our exact Q2 revenue figures.

- **Order Name:** State Public Health Officer Order (Stage 2 Reopening) – Modifying Stay-at-Home (Early Stage 2)

ORDER NUMBER: ASSOCIATED WITH EXECUTIVE ORDER N-60-20

DATE ENACTED: 05/07/2020

DATE RESCINDED: 06/15/2021

Order Summary: This order allowed certain lower-risk businesses to reopen under strict safety protocols while higher-risk venues remained closed or heavily restricted. It represented an early effort by California to balance public health and economic revival.

Impact on Quarter: In Q2 2020, this order permitted a limited resumption of operations; however, stringent capacity limits and operational protocols continued to suppress revenue and substantially alter our standard business practices.

- **Order Name:** Stay Well at Home Order – Ventura County

ORDER NUMBER: NOT ASSIGNED A SPECIFIC NUMBER

DATE ENACTED: 03/20/2020

DATE RESCINDED: 06/11/2021

Order Summary: This countywide order mandated that all residents remain at home except for essential travel, thereby causing the closure of all non-essential businesses and venues. It reinforced state-imposed restrictions and provided local enforcement measures to ensure public safety.

Impact on Quarter: As a business located within Ventura County, we were directly affected by this order, which significantly limited customer access and in-person operations during Q2 2020, contributing to the exact revenue decline noted.

- **Order Name:** Local Emergency Proclamation (Camarillo) – City Declaration of Emergency

ORDER NUMBER: EOC DIRECTOR ORDER NO. 20-1

DATE ENACTED: 03/13/2020

DATE RESCINDED: STILL IN EFFECT (ULTIMATELY ENDED IN 2022)

Order Summary: The City of Camarillo declared a local emergency to mobilize municipal resources and coordinate an effective response to COVID-19. The proclamation activated local measures including closures of public venues and cancellation of events to protect community health.

Impact on Quarter: For our business in Camarillo, this local declaration reinforced other governmental restrictions, reducing foot traffic and directly impairing our ability to generate revenue during Q2 2020.

- **Order Name:** Camarillo Resolution No. 2020-63 – Temporary Outdoor Dining Program

ORDER NUMBER: 2020-63

DATE ENACTED: 06/10/2020

DATE RESCINDED: 06/15/2021

Order Summary: This resolution was adopted by the City of Camarillo as a temporary measure to facilitate outdoor dining when indoor operations were restricted. It waived certain zoning requirements and permit fees, enabling restaurants to operate outdoors under strict safety protocols.

Impact on Quarter: Although designed as a relief measure, the resolution only partially mitigated the operational limitations imposed by state and county orders in Q2 2020, with our business still experiencing significant revenue loss despite the outdoor dining option.

SUMMARY AND REQUEST

Based on the comprehensive evidence provided—including the exact revenue figure of \$546345.00 for Q2 2020 and the detailed government orders listed above—we respectfully request that the IRS reconsider and reverse the disallowance of our ERC claim for Q2 2020. The evidence clearly demonstrates that our business experienced both a measurable revenue decline and a partial suspension of normal operations due to active governmental orders at the federal, state, county, and city levels. We have complied diligently with all orders in good faith, even though they imposed significant limitations on our operations during one of the most challenging periods of the pandemic.

Under penalties of perjury, I declare that I have examined the protest and accompanying documents, and to the best of my knowledge and belief, the information contained herein is true, correct, and complete.

Sincerely,

[Authorized Representative Signature]

[Authorized Representative Name]

Authorized Representative for 546345

ENCLOSURES:

- Copies of COVID-19 Government Orders (Proclamation 9994, State of Emergency Proclamation, Executive Order N-33-20, State Public Health Officer Order (Stage 2 Reopening), Ventura County Stay Well at Home Order, Camarillo Local Emergency Proclamation, and Camarillo Resolution No. 2020-63)
- Detailed Revenue Documentation for Q2 2020
- Additional Supporting ERC Qualification Evidence