

03/19/2025

Internal Revenue Service

Ogden, UT 84201

EIN: 00-0000000

Taxpayer Name: 45's Business

RE: Formal Protest to Letter [Insert Reference] – ERC Disallowance for Q3

Tax Period: 3rd Quarter 2021 (202109)

Claim Amount: (Not Provided)

Dear Appeals Officer,

We write in response to the IRS notice disallowing 45's Business's Employee Retention Credit (ERC) claim for the third quarter of 2021. The disallowance was based on an assertion that no government orders were in effect during this period that caused a full or partial suspension of our operations. We respectfully disagree. Our law firm experienced substantial revenue declines in Q3 2021 in conjunction with federal government orders that imposed safety mandates and operational limitations. In this protest, we provide a detailed presentation of the relevant government orders and demonstrate, with exact audited revenue figures, that 45's Business qualifies for the ERC under the partial suspension and revenue decline guidelines.

Below is a chronological summary of specific COVID-19 government orders which impacted our operations during Quarter 3 2021:

- **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- **Date Rescinded:** Still in effect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. It activated federal emergency powers and funding, indirectly enabling subsequent state and local lockdowns and restrictions.
- **Impact on Quarter:** During Quarter 3 2021, this federal proclamation underpinned additional governmental measures that imposed strict safety protocols and resulted in a partial suspension of normal business operations for 45's Business.
- **Order Name:** CDC/FAA Mask Mandates – Federal Mask Requirements for Travel

- **Order Number:** Executive Order 13998 (with CDC guidance effective as of 02/01/2021)
- **Date Enacted:** 01/21/2021
- **Date Rescinded:** Still in effect
- **Order Summary:** This order imposed federal mask requirements for travel on airplanes, trains, buses, airports, and federal properties. It was designed to enhance traveler safety and ensure uniform compliance with COVID-19 health protocols throughout the nation.
- **Impact on Quarter:** In Quarter 3 2021, the mask mandate necessitated strict adherence to safety protocols during essential business travel and client meetings, thereby contributing to operational limitations and partial suspension of our in-person service activities.

In addition to the governmental orders, our revenue figures for the applicable quarters clearly demonstrate that 45's Business experienced a precipitous decline in gross receipts qualifying under the ERC guidelines. Please see the detailed REVENUE DECLINE DATA section below.

## REVENUE DECLINE DATA

The purpose of this section is to present, verbatim and unrounded, the audited revenue figures that clearly illustrate the qualifying decline in gross receipts. The significant revenue reduction, compounded by the impact of the government orders detailed above, forms the basis for our ERC qualification.

For Quarter 3 2021, our audited revenue figures are as follows: Our revenue for Q3 2021 was EXACTLY \$345 compared to Q3 2019 which was EXACTLY \$3245345. This represents an EXACT decline of \$3245000 and an EXACT percentage decline of 99.99%. Based on the applicable ERC revenue decline thresholds (20%+ for 2021), this quarter qualifies for ERC.

Additionally, for completeness, please note the following figures from prior quarters:

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

In conclusion, both the evidence of a significant revenue decline and the imposition of federal government orders that led to a partial suspension of normal operations clearly establish that 45's Business meets the requirements for the Employee Retention Credit for Quarter 3 2021. We respectfully request that the IRS reconsider and reverse the disallowance of our ERC claim.

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,

[Signature]

Authorized Representative for 45's Business

**ENCLOSURES:**

- Copies of Government Orders (Proclamation 9994 – National Emergency Concerning COVID-19; CDC/FAA Mask Mandates – Federal Mask Requirements for Travel)
- Documentation of Audited Revenue Figures for Q1, Q2, and Q3 2021
- Relevant IRS Guidance on ERC Qualification