

03/27/2025

Internal Revenue Service

Ogden, UT 84201

EIN: 213421

Taxpayer Name: 342134

RE: Formal Protest to Disallowance Notice – ERC Claim for Q2 2020

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

Dear Appeals Officer,

We write in response to the IRS notice disallowing 342134's Employee Retention Credit (ERC) claim for the second quarter of 2020 on the basis that no government orders were in effect during that period. We respectfully disagree. Multiple federal, state, county, and city government orders were active in Q2 2020 that imposed COVID-19–related restrictions resulting in a partial suspension of our normal business operations. Below, we set forth a detailed timeline of the specific government orders in effect during Q2 2020, using the required format, to demonstrate that our operations were significantly curtailed by these directives.

Timeline of COVID-19 Government Orders Active in Q2 2020

- **Order Name:** State of Emergency Proclamation – California COVID-19 State of Emergency
 - **Order Number:** N/A (Governor's Proclamation)
 - **Date Enacted:** 03/04/2020
 - **Date Rescinded:** Still in effect
 - **Order Summary:** This proclamation declared a state of emergency in California, thereby empowering state and local officials to issue subsequent public health orders and operational restrictions.
 - **Impact on Quarter:** The declaration provided the legal framework under which mandatory COVID-19 restrictions were imposed, directly affecting business operations during Q2 2020 by limiting routine business practices and requiring compliance with evolving safety protocols.
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- **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 - **Date Rescinded:** 06/15/2021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 executive order mandated that all Californians remain at home except for essential activities, thereby requiring non-essential businesses to close or significantly reduce operations.
 - **Impact on Quarter:** In Q2 2020, this order forced 342134 to either cease or drastically curtail its normal operations, as all non-essential business activities were either suspended or conducted only under severe limitations.
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- **Order Name:** Stay Well at Home Order – Countywide Lockdown
 - **Order Number:** N/A
 - **Date Enacted:** 03/20/2020
 - **Date Rescinded:** 06/11/2021
 - **Order Summary:** Issued by Ventura County Health Officials, this order imposed a countywide lockdown requiring the closure of non-essential businesses and restricting gatherings to mitigate the spread of COVID-19.
 - **Impact on Quarter:** The order directly resulted in a partial suspension of operations for 342134 by enforcing strict limitations on in-person activities and normal business functions during the second quarter of 2020.
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- **Order Name:** Camarillo Local Emergency Proclamation – City Declaration of Emergency
 - **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, authorizing the city to implement urgent measures and restrictions to protect public health in response to COVID-19.
 - **Impact on Quarter:** The local emergency further mandated that 342134 adhere to city-specific restrictions, thereby imposing additional operational limitations that compounded the effects of state and county mandates in Q2 2020.
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- **Order Name:** State Public Health Officer Order (Stage 2 Reopening) – Modifying Stay-at-Home/Easing Restrictions
 - **Order Number:** N/A
 - **Date Enacted:** 05/07/2020
 - **Date Rescinded:** 06/15/2021
 - **Order Summary:** This order eased some of the strict stay-at-home measures by permitting certain low-risk businesses to resume operations under defined safety protocols, while still enforcing significant capacity and operational restrictions.

- **Impact on Quarter:** Although designed to allow limited reopening, the order still dictated stringent operational guidelines that prevented 342134 from returning to pre-pandemic business levels during Q2 2020.

Based on the comprehensive evidence provided above, we respectfully submit that multiple, explicit government orders were indeed in effect during Q2 2020. These orders collectively resulted in a partial suspension of our regular business operations. Accordingly, we believe the criteria for the Employee Retention Credit under the partial suspension provisions have been met.

Thank you for your prompt attention to this protest. We trust that upon review of the enclosed detailed order timeline and supporting documents, the IRS will reverse the disallowance of our Q2 2020 ERC claim. Should you require any further information or clarification regarding the orders cited herein, please do not hesitate to contact us.

Under penalties of perjury, I declare that I have examined this protest and accompanying documentation, and to the best of my knowledge and belief, they are true, correct, and complete.

Sincerely,

[Authorized Representative Signature]

[Print Name]

Authorized Representative for 342134

Enclosures: Copies of COVID-19 Government Orders (Evidence as detailed above)