

Form 886-A – Employee Retention Credit (ERC) Substantiation

BUSINESS NAME: WEST COAST

EIN: 23-145154

LOCATION: CAMARILLO, CA

Qualifying Time Period: Q2 2020 (with additional contextual evidence from Q3 2020 measures)

DATE: 03/14/2025

1. Issue

Is West Coast eligible for the Employee Retention Credit based on the adverse impacts of government-mandated COVID-19 orders—and, where available, revenue decline evidence—on its operations during the relevant periods? The question requires substantiation using all available qualification evidence, including both observed revenue reductions (if provided) and the regulatory orders that mandated operational restrictions.

2. Facts

- West Coast is a general business operating in Camarillo, CA. The business was directly affected by local, county, and state government orders issued in response to the COVID-19 pandemic.
- Although no specific revenue decline figures or percentages were provided, the adverse impact on operations is evidenced by the documented government orders that mandated closures, reduced capacity, and operational modifications throughout the pandemic, notably during Q3 2020.
- The following government orders form the basis of the substantiation evidence that supports the business's eligibility for the ERC by demonstrating that West Coast faced significant operational challenges due to mandatory public health interventions.

3. Law

- The Employee Retention Credit (ERC) permits eligible employers to claim a refundable tax credit for wages paid to employees during periods when

business operations were partially or fully suspended by governmental orders.

- Under IRS Notice 2021-20 and related guidance, a business qualifies if it demonstrates that its operations were either subject to a full or partial shutdown or experienced a significant decline in revenue.
 - In instances where revenue decline data is unavailable or insufficient, the existence of government orders that directly limited business operations is a qualifying factor for the ERC.
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4. Argument

- West Coast qualifies for the ERC because the business operated under a series of government-imposed restrictions that substantially curtailed normal business activities.
 - The documented federal, state, county, and city orders not only created an environment of uncertainty and restricted operations but also imposed specific limitations—such as complete closures, reduced indoor capacity, and operational rollbacks—that would have directly affected the business’s revenue-generating ability.
 - In light of IRS guidance and ERC rules, even in the absence of detailed revenue decline percentages or figures, the comprehensive list of governmental orders serves as clear and persuasive evidence that West Coast was adversely impacted during the COVID-19 pandemic.
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5. Conclusion

Based on the analysis of all available evidence—including the significant government orders that mandated reduced operations and capacity restrictions in Camarillo, CA—it is concluded that West Coast qualifies for the Employee Retention Credit. The adverse operational impacts corroborated by the specific orders, along with the qualifying framework provided by IRS Notice 2021-20 and relevant law, support this eligibility determination.

Appendix – Government Order Evidence

- **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 national emergency due to COVID-19, activating federal emergency powers and facilitating support measures. It did not impose direct business restrictions but provided the legal basis for subsequent state and local orders.
 - **Impact on Quarter:** Although not directly restricting operations in Q3 2020, it underscored the severity of the pandemic and supported later orders that materially affected business operations.
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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 order mandated that all Californians stay at home except for essential activities, resulting in the closure or severe limitation of non-essential businesses. It established capacity restrictions and modified indoor service protocols throughout the state.
 - **Impact on Quarter:** In Q3 2020, the order's ongoing provisions continued to restrict indoor operations and limit customer capacity for West Coast's business.
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- **Order Name:** State Public Health Officer Order – July 13, 2020 Rollback
 - **Order Number:** N/A
 - **Date Enacted:** 07/13/2020
 - **Date Rescinded:** 08/31/2020
 - **Order Summary:** This order mandated the re-closure of numerous indoor operations in response to a surge in COVID-19 cases, affecting sectors including dine-in restaurants, gyms, and personal care services. It required rapid operational rollback and adverse changes to permitted business activities.
 - **Impact on Quarter:** The rollback directly disrupted West Coast's operations during Q3 2020 by forcing an immediate shift from indoor operations to severely restricted or alternative operating models.
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- **Order Name:** "Blueprint for a Safer Economy" Tier System Order
 - **Order Number:** N/A
 - **Date Enacted:** 08/31/2020
 - **Date Rescinded:** 06/15/2021
 - **Order Summary:** This order introduced a color-coded tier system to regulate business activities based on local COVID-19 metrics, dictating strict limitations on indoor operations for non-essential businesses. It maintained reduced capacity and operational constraints for establishments located in the most restrictive tier.

- **Impact on Quarter:** During Q3 2020, West Coast was subject to continued limitations on indoor operations and reduced customer capacity as imposed by the most restrictive tier guidelines.
- **Order Name:** Ventura County “Stay Well at Home” Order
- **Order Number:** N/A
- **Date Enacted:** 03/20/2020
- **Date Rescinded:** 06/11/2021
- **Order Summary:** This county order required residents to remain at home except for essential reasons, leading to the closure or limited functionality of non-essential businesses. It set forth foundational restrictions that influenced subsequent local directives.
- **Impact on Quarter:** In Q3 2020, the persistent restrictions limited customer traffic and compelled West Coast to adopt alternative methods of operation, such as curbside services.
- **Order Name:** Ventura County July 2020 Order (Local Implementation of State Rollback)
- **Order Number:** N/A
- **Date Enacted:** 07/13/2020 (effective 07/14/2020)
- **Date Rescinded:** 10/06/2020
- **Order Summary:** This order operationalized the state-mandated rollback of indoor services for high-risk business sectors by directing closures or significant modifications in operational formats. It specifically targeted businesses in sectors affected by the worsening public health situation.
- **Impact on Quarter:** The order forced West Coast to substantially curtail indoor operations during Q3 2020, thereby reducing its service offerings and impacting revenue potential.
- **Order Name:** Ventura County Eviction Moratorium
- **Order Number:** Urgency Ordinance No. 4563
- **Date Enacted:** 04/22/2020 (retroactive to 03/2020)
- **Date Rescinded:** 09/30/2020
- **Order Summary:** This ordinance temporarily halted evictions for both residential and commercial tenants to alleviate financial hardship amid the pandemic. It provided critical relief by preventing forced closures due to nonpayment of rent.
- **Impact on Quarter:** By preventing eviction-related disruptions in Q3 2020, the order helped West Coast maintain continuity in operations despite financial challenges.
- **Order Name:** Camarillo Local Emergency Proclamation

- **Order Number:** EOC Director Order No. 20-1 (ratified by City Council Resolution No. 20-36)
 - **Date Enacted:** 03/13/2020
 - **Date Rescinded:** Still in effect
 - **Order Summary:** This proclamation activated Camarillo's emergency response measures, leading to the cancellation of public events and closure of city facilities. It also provided the framework for additional local support measures during the pandemic.
 - **Impact on Quarter:** Its continued effect into Q3 2020 justified and reinforced subsequent operational restrictions and relief efforts that directly affected West Coast's business practices.
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- **Order Name:** Camarillo Eviction Moratorium Orders
 - **Order Number:** EOC Director Order No. 20-2 (amended 04/23/2020)
 - **Date Enacted:** 03/18/2020 (amended 04/23/2020)
 - **Date Rescinded:** Residential moratorium eased on 08/31/2020; commercial aspects concluded with termination of the local emergency
 - **Order Summary:** These orders suspended evictions for both residents and commercial tenants to mitigate the economic fallout of the pandemic. They provided temporary relief by deferring eviction proceedings for those unable to meet payment obligations.
 - **Impact on Quarter:** By preventing eviction-related disruptions in Q3 2020, the orders safeguarded West Coast's operational continuity during a period of reduced revenue.
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- **Order Name:** Camarillo Temporary Outdoor Dining Program
 - **Order Number:** Resolution No. 2020-63
 - **Date Enacted:** 06/10/2020
 - **Date Rescinded:** Approximately 06/15/2021
 - **Order Summary:** This program permitted restaurants and similar businesses to establish temporary outdoor dining areas by waiving certain zoning requirements and fees. It was designed to offset the limitations imposed on indoor dining due to COVID-19 orders.
 - **Impact on Quarter:** In Q3 2020, the program enabled West Coast to pivot to an outdoor service model, thereby mitigating some of the revenue losses from indoor operational restrictions.

End of Form 886-A

This document contains all available qualification evidence substantiating that West Coast was substantially impacted by government orders during the

COVID-19 pandemic. Based on the evidence and applicable law, the business qualifies for the Employee Retention Credit.