

03/19/2025

Internal Revenue Service

Ogden, UT 84201

EIN: 00-0000000

Taxpayer Name: 45's Business

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

Tax Period: 3rd Quarter 2021 (202109)

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 notice states that our claim is unsupported because of an alleged absence of governmental orders that resulted in a full or partial suspension of our operations. We respectfully disagree. Our law firm was materially affected during Q3 2021 by COVID-19 governmental orders that imposed restrictions causing a significant curtailment of normal operations. In addition, our documented revenue declines for Q1, Q2, and Q3 2021 clearly demonstrate that we meet the IRS criteria for ERC qualification.

Below, we provide detailed evidence of the COVID-19 governmental orders active during Q3 2021 and a dedicated "REVENUE DECLINE DATA" section that presents our exact revenue figures and corresponding declines for audit purposes.

Timeline of COVID-19 Government Orders Active in Q3 2021

- **Order Name:** Proclamation 9994 – "National Emergency Concerning COVID-19"

**ORDER NUMBER: PROCLAMATION 9994**

**DATE ENACTED: 03/13/2020**

**DATE RESCINDED: STILL IN EFFECT**

**Order Summary:** On March 13, 2020, the President declared a national emergency due to the COVID-19 outbreak. This proclamation activated federal emergency powers and provided the legal framework for subsequent COVID-19 directives. Its continued effect throughout 2021 meant that a nationwide emergency status was maintained, thereby influencing public health policies and business operations.

**Impact on Quarter:** The ongoing national emergency created by Proclamation 9994 imposed significant precautionary measures on businesses, including our

law firm, leading to restricted client interactions and operational limitations during Q3 2021.

- **Order Name:** CDC/FAA Mask Mandates – “Federal Mask Requirements for Travel”

**ORDER NUMBER: EXECUTIVE ORDER 13998**

**DATE ENACTED: 01/21/2021**

**DATE RESCINDED: STILL IN EFFECT**

**Order Summary:** The CDC/FAA Mask Mandates established federal requirements for mask usage on modes of travel effective February 1, 2021. This measure, issued via Executive Order 13998, was designed to mitigate the spread of COVID-19 by enforcing uniform mask protocols in transit and federal facilities. The order provided clear guidance to affected industries and maintained consistency in public health practices throughout the pandemic.

**Impact on Quarter:** Although primarily targeting travel, these mask mandates influenced public confidence and government expectations, indirectly contributing to operational restrictions for service providers such as our law firm during Q3 2021 by limiting in-person engagements and client meetings.

## **REVENUE DECLINE DATA**

This section presents, in narrative format, the revenue decline figures that demonstrate our eligibility for the Employee Retention Credit. The exact dollar amounts and percentages below are provided verbatim to satisfy legal and audit requirements.

During Q3 2021, our law firm experienced a dramatic reduction in revenue. For Q3 2021, revenue was EXACTLY \$345 compared to Q3 2019, where revenue was EXACTLY \$3245345. This represents an EXACT decline of \$3245000, or EXACTLY 99.99% decline, which clearly qualifies for the ERC under the applicable revenue reduction thresholds.

Additionally, the following quarters also demonstrate qualifying revenue declines:

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

These documented revenue declines are directly attributable to the economic disruptions caused by COVID-19 and the associated governmental orders, which resulted in a partial suspension of normal business operations.

## **CONCLUSION AND REQUEST**

Based on the evidence provided above—both the detailed government orders that imposed restrictions during Q3 2021 and the precise revenue decline data—45's Business clearly satisfies the ERC qualification requirements. We respectfully request that the IRS reverse the disallowance of our ERC claim for Q3 2021. The credit claimed is in full compliance with applicable IRS guidance, and the accompanying documentation validates the significant operational impacts caused by COVID-19.

Thank you for your prompt attention to this matter. Should you require any additional information or further clarification regarding the evidence provided, please do not hesitate to contact us.

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,

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[Authorized Representative Signature]

[Name of Authorized Representative]

Authorized Representative for 45's Business

Enclosures: Copies of Government Orders; Detailed ERC Documentation;  
Revenue Decline Data as Presented Above