

AUGUST 2022

HOSPITALITY HOTLINE

Official Newsletter of the Ocean City
Hotel-Motel-Restaurant Association



Member Message

FROM EXECUTIVE DIRECTOR SUSAN L. JONES

Having just come out of an interview with the Washington Post, I must admit, we truly live, work and play in a remarkable place! I was more than proud to point out to them all of the amazing places to Stay, Play & Dine in OC! Remember to keep me in the loop whenever you have something new to share as I'm often running my mouth!

This week, I toured Worcester Technical High School's summer STATT Camp. This used to be known as the STEM program, however, Worcester County Economic Development & Tourism has re-aligned the program to STATT (Skilled Trades, Agriculture, Tourism & Technology) to better reflect what is needed in our community. This camp has become a model for the use of the Rural MD Funds. Culinary Instructor, Phillip Cropper's enthusiasm for the industry continues to guide our youth - thank you Phillip! We look forward to continuing to be a part of the collaboration to grow our own workforce.

Happy August everyone! 😊



WELCOME NEW MEMBERS

ACTIVE

Papi's Taco Joint
15th St & Coastal

www.papistacosoceancity.com

ALLIED

**Shockley Sustainable
Solutions**

www.shockleysustainables.com



Miles Partnership is a strategic marketing company focused exclusively on travel and tourism. They provide valuable insight into the mind of the traveler. Recently, I watched their webinar, "State of the American Traveler, Tech Edition" where I gleaned lots of useful info. A couple key takeaways: inflation is impacting travel - shorter road trips & value focus deals - so make sure you adjust your marketing!

For the entire presentation:
[click here](#)



Hospitality Highlights

WARM WELCOMES

The **Ocean City Fontainebleau Resort** has welcomed new General Manager, **Johann Runarsson**. Welcome Johann! Congrats to **Sal & Whitney Fasano** of **LaQuinta Inn & Suites** on the birth of their new son! Allied Member, **Booking.com** has a new OC rep, welcome **Paula Higa!**

SAD GOODBYES

Our sincere condolences to the family of **Lorenda Birch**, who passed recently. Mrs. Birch was the former owner of the **Rideau Motor Inn**.

Member Mentions

Goodbye Sun & Surf Cinema

Fox Theatres announced today that Sun & Surf Cinema will soon close after fifty years of business. The final day of operations will be Labor Day, Monday, September 5, 2022. Fox Theatres will continue to operate the Fox Gold Coast Theater located next to the Gold Coast Mall at 11301 Coastal Highway, also in Ocean City, Maryland. Gift cards and passes from Sun & Surf will be honored at Fox Gold Coast.

OC Museum Society Photo Contest

Who Should Enter: The contest is open to all novice and professional photographers (18 and over)

Categories: Ocean City/Assateague Bay Sunsets; Ocean City Boardwalk Ocean City Beach Prizes: Each category winner will be awarded \$250.00, and the grand prize winner will take home a grand total of \$500.00 in prize money.

People's Choice: Anyone can vote on any of the photo entries, which can be viewed on our GoGo Photo Contest page. Votes are \$1 each and you can vote as many times as you want! The winner of the People's Choice will receive a gift basket of museum merchandise valued at \$100.00.

How To Enter: www.gogophotocontest.com/oceancitymuseumsociety

Fisher Architecture Renovates Fenwick Inn

Fisher Architecture is crossing the finish line on a full architectural and interior redesign of the Fenwick Inn at 13801 Coastal Highway in Ocean City, Maryland. Blue Water Development owner, Jack Burbage, hired Fisher to design new floor to ceiling finishes to common spaces, guest floors and employee areas and convert the 8th floor of the hotel from a rooftop restaurant into ten suites with full kitchens and dining areas and the addition of large outdoor terraces on two of the units.

For more and to see pics: [click here](#)



**MARYLAND
TOURISM
COALITION**

Last Call - SUMMER SOIREE

The MD Tourism Coalition (MTC) Summer Soiree is being held on August 17th during MACO at the Residence Inn. Here is the link for more info and to register: [Soiree Link](#)

Welcome Back to OC!

2014 was the last year that OC hosted the MD Travel & Tourism Summit and we are super excited that Ocean City is once again hosting this gathering of statewide tourism professionals. The MTTTS is slated for Monday, November 14 through Wednesday, November 16 and will be held at the OC Fontainebleau Resort. A memorable part of the event is always the Welcome Reception. This year, we are planning a "Taste of OC" themed evening in Seacrets Morley Hall. An integral part of the evening will be the food! Our goal is to feature area restaurants and their specialties. If you are interested in showcasing your restaurant, please let Susan know - 410.289.6733 or susanjones@ocvisitor.com.

For more info on the MTTTS, go to this link:
MDTourism.org



Business Briefs

Maryland Saves

Passed by the Maryland Legislature in May 2016, a new program, coined Maryland Small Business Retirement Savings Program and Trust will launch in September; MarylandSaves is a state-sponsored program designed to make it as easy as possible for businesses to offer their employees a voluntary, automatic, low-cost, portable retirement and emergency savings plan. Under Maryland law, established businesses that use an automatic payroll system are required either to offer a retirement plan or to sign their employees up for the MarylandSaves program. Businesses that do so will receive \$300 per year via a waiver of the Maryland business annual filing fee. Employers will have no payment obligations, have no federal reporting requirements, and will pay nothing to MarylandSaves for the service. Employee participation is completely voluntary.

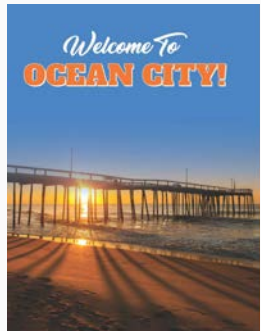
You may want to familiarize yourself with the program. Allied Member, Todd "Freddie" Wolters with Payroll Network has shared a flyer that may help. See pages 4 & 5 for more info or check out: MarylandSaves.org.

AHLA State of the Industry - Mid Year Report

Even though we are more than half-way through 2022, the complete picture of the summer season remains to be seen. We were certainly spoiled in 2020 with stimulus spending and many members reported record numbers in 2021 which was somewhat attributable to no one cruising and limited flight travel. The American Hotel & Lodging Association just came out with their mid-year report, check it out at this link: [AHLA Report](#)

National Restaurant Association 2022 Report Available

Like restaurants all across the nation, we've seen our members scaling back menus and shifting operations to create more efficient business models. This was a natural shift as restaurants operate on razor thin margins. See what the NRA has to say about sales, operations, food & menus and workforce at this link: [NRA Report](#)



Make plans to be in the 2023 Keycard Holder!

This 24-page 4x6 holder is given complimentary to hotels to put plastic keys in for their guests. 300,000 copies were printed this year. If you are a restaurant, attraction, or want to reach hotel guests, be sure to make plans to advertise in this highly effective guide while supporting the OCHMRA!

Call us at 410.289.6733 to reserve your 2023 space!

THE WORCESTER COUNTY HEALTH DEPARTMENT
IS OFFERING IN-PERSON

TIPS TRAINING

BECOME CERTIFIED IN THE RESPONSIBLE SALE OF ALCOHOL FOR ONLY \$45/PERSON (DISCOUNTED RATE AVAILABLE FOR GROUPS OF TEN OR MORE)

**AUGUST 17, 2022 AT 9 A.M.
OCEAN PINES LIBRARY**

TO REGISTER CALL LYNN SUAREZ
(410) 632-1100 X1109
LYNN.SUAREZ@PECHECHE@MARYLAND.GOV

Tips for the Trade Industry Ideas



Fall Restaurant Week
OCHMRA is not planning a Fall Restaurant Week - however, RAM has announced they will once again have a statewide Restaurant Week - MD RW is slated for September 16-25. More Info click here: [MD RW SITE](#)

Employee Retention Credit
It's not too late! Learn more about changes to the program by visiting the IRS Employee Retention Credit 2020 vs 2021 Comparison Chart. IRS - [click here](#)
NRA Podcast - [click here](#)

Maryland Small Business Retirement Savings Program: everything you need to know

The Maryland Small Business Retirement Savings Program, or “MarylandSaves”, was signed into law in 2016¹. All Maryland businesses, including private sector, for-profit, or nonprofit businesses, who either have been in business for at least 2 years or pay employees through a payroll system or service, will be able to opt in and enroll their employees into MarylandSaves² or offer a retirement plan. The Maryland Saves Small Business Retirement Savings Program will launch enrollment on June 6, 2022³.

This guide provides an overview of what the program means to employers once it’s required, and how it might compare to other retirement savings options.

What Maryland employers need to know to find the right savings plan for their business:

What is the Maryland Small Business Savings Program?

The Maryland Small Business Savings Program mandates that employers with an automatic payroll system are required to establish a payroll deposit retirement savings arrangement for employees. If businesses fail to offer one of their own, they will be required to enroll employees in MarylandSaves, the state-run trust.

Which small businesses are required to participate?

Any private sector, for-profit, or nonprofit business operating in the state of Maryland that meets the following criteria must participate in the plan:

- Those that pay employees through a payroll system or service
- Small businesses in operation at least two years
- Companies that do not currently offer an employer-sponsored retirement savings arrangement to employees
- Businesses that have not provided a retirement savings plan in the last two years

It’s important to note that small businesses that meet these criteria may opt to establish their own retirement savings program for employees as an alternative to MarylandSaves.

Is the Maryland Small Business Savings Program mandatory?

Employees enrolling in the Maryland Small Business Savings Program is not mandatory. However, it WILL be mandatory for all employers to offer a qualified retirement plan, or potentially face fines.

When does enrollment open?

June 6, 2022 will mark the pilot launch of the program, while September 6, 2022 will mark the full launch of MarylandSaves³.

What's the difference between a Human Interest 401(k) and the Maryland Small Business Savings Program?

In short, compared to the Maryland Small Business Savings Program, there are two differences to note with Human Interest's 401(k) plans:

- The state-mandated programs typically rely on an IRA model, which allows a fraction of the possible yearly contribution limit (\$6,000), compared to a 401(k) (\$20,500), impacting the overall saving potential for your business and employees
- Human Interest 401(k) plan participants have access to 7,000 mutual funds, whereas most state-mandated programs offer a very limited number of investments to choose from

What retirement plan is right for my company?

Employers have options when it comes to choosing a retirement savings plan for their employees, and the best place to start is by identifying what is most important to you and your employees, from the total amount you and employees can save each year, to the time and effort to set up and manage a plan, to plan costs, to specific features in a plan, etc.

Now is the time to start a 401(k)

With Maryland's enrollment period quickly approaching, now is a great time to start a 401(k) plan. Currently, the small employer plan startup credit⁴ offered by the IRS via the SECURE Act of 2020 is up to \$5,000 for the first three years making it more affordable than ever to launch a plan when you take advantage of tax incentives. Set up your business – and your employees – for success: ensure your retirement plan provider integrates with your payroll and seamlessly handles other tedious tasks.

Why launch a Human Interest 401(k)?

With Human Interest rebates and IRS tax incentives, you can launch a 401(k) today at little to no cost. Our automated plans make the ongoing administration of your 401(k) easy and affordable. Human Interest's plans also offer:

- ✓ Transparent pricing and zero transaction fees
- ✓ "No-Touch" integration with Payroll Network
- ✓ Affordable, low cost investment options
- ✓ Easy to set up and administer
- ✓ Ongoing support and plan management
- ✓ High (70+%) employee participation rates – twice the industry average of 34%⁵

Get started today

Take the first step to offering a modern retirement plan today.
Email Todd "Freddie" Wolters at twolters@payrollnetwork.com.

Human Interest is an affordable, full-service 401(k) provider that makes it easy for small and medium-sized businesses to help their employees save for retirement. Founded in 2015 and headquartered in San Francisco, Human Interest helps employees in all lines of work access retirement benefits and a path to financial independence. For more information please visit humaninterest.com or follow us on LinkedIn.

Retirement and investment advisory services are only provided to clients who have signed appropriate documents to enter into an agreement with Human Interest. Unless indicated otherwise, this content has been prepared for general informational purposes only, is not intended to provide, and should not be relied upon for tax, legal or accounting advice, and should not be considered an offer of investment advisory services with regard to securities nor an individualized recommendation or personalized investment advice. Plan Sponsors and participants should take independent steps to validate the tax, legal and accounting considerations of any service, and should obtain direct tax, legal, and accounting advice before engaging in any transaction.

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¹ Maryland State Senate Bill 1007, Maryland Small Business Retirement Savings Program and Trust 2018.

² Source: Human Interest, What small businesses need to know about MarylandSaves, 2022.

³ Source: Maryland Saves (marylandsaves.org/pilot-program-information).

⁴ Source: IRS (<https://www.irs.gov/retirement-plans/retirement-plans-startup-credits-tax-credits>).

⁵ Source: Human Interest data, 2020, U.S. Census Bureau, 2017.

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For more information, contact
twolters@payrollnetwork.com or call 443 286-3442

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Community Connections

Baseball Game



Join us for a game at Camden Yards!



Baltimore Orioles vs. Boston Red Sox

Sunday, September 11th

\$60/person includes round trip coach bus, ticket to baseball game (lower-level in left field) and drinks/snacks on the bus!

- 9:45 AM** Bus Pick Up #1
Bus Pick Up from Ocean Pines Chamber of Commerce Office
- 10:20 AM** Bus Pick Up #2
Bus pick up from Salisbury Royal Farms 7900 Royalty Way, off of Route 50
- 1:00 PM** Orioles vs. Red Sox
Game time at Camden Yards!
- 4:00 PM** Departure
Departure, or 30 minutes after the end of game. Whichever comes first.
- 6:00 PM** Drop Off #1
Salisbury drop off.
- 7:00 PM** Drop Off #2
Ocean Pines drop off.

Reserve tickets by August 4th

Email: Billy Apostolou: billy@directmortgageloans.com | Alli Anders: alli@oceanpineschamber.org
Alexis Roskovich: aroskovich@beckermorgan.com | David Botscheller: dbotscheller@beckermorgan.com | Jordan MacWha: jmacwha@hawkinselectric.com

MARLIN FEST

OCEAN CITY 2022 MARYLAND

FREE
ADMISSION



GATES OPEN AT 1PM WITH LIVE ENTERTAINMENT

Weigh ins of the White Marlin Open Streaming on the Big Screen from 3:30-9 PM

SPONSORS:

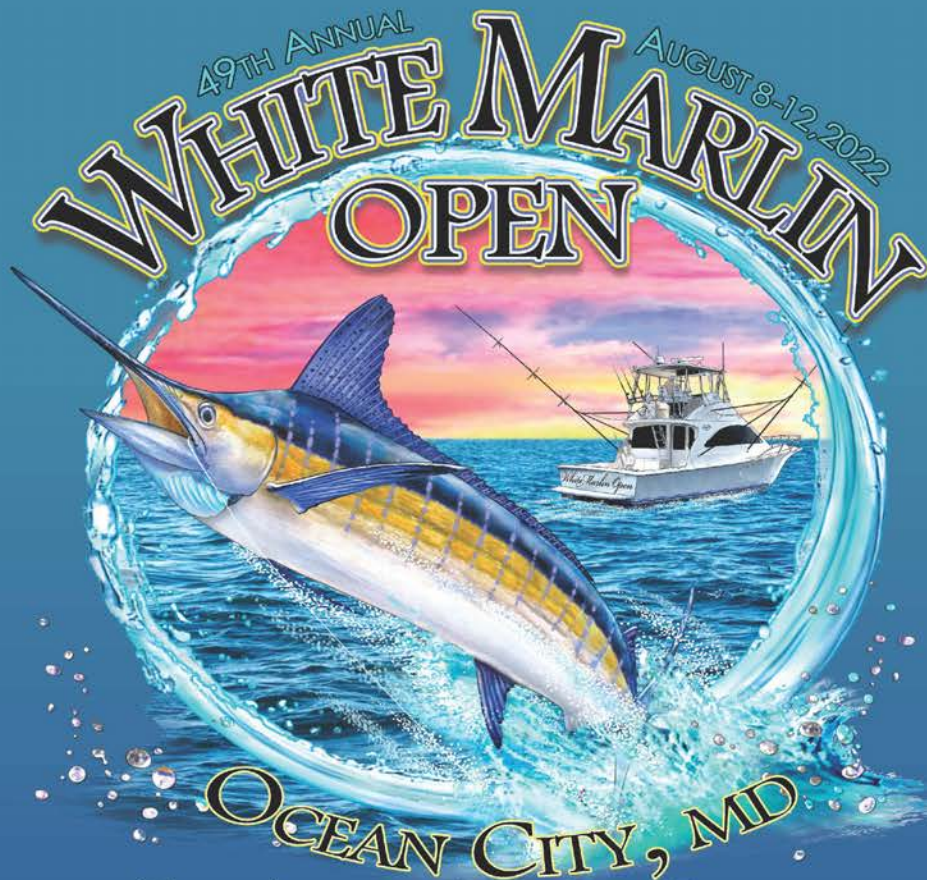
OCDC • Deep Eddy • Jameson • Malibu
Olmeca Altos Tequila • Miller Lite • Pacifico
Leinenkugel's Summer Shandy
Twisted Tea • Truly Vodka Seltzer
The Wine Group • Travelstead
Mid-Shore Diese • Spinning Reels Coffee Company

ENTERTAINMENT BY:

Opposite Directions • My Other Brother Darryl
Jimmy Charles • Radio Ocean City
The Q-Tip Bandits

VENDORS:

The Street Kitchen • Get Baked Food Trolley
The Snowball Stand Truck • The Frozen Farmer
East Coast IV • Trolling Mate Offshore • Pit-n-Pub
Red Fin Polarized Sunglasses • Fishing for MD Foundation
Soul Surf Creations • Bob Marlin Gear
Salty Dog & Sweet P's Swag • Lighthouse Guns and Gear
Chesapeake Jewelers • Mid-Shore Electronics • Traci's Treasures
McLean Mortgage • SML Footwear • Allen's Signature Cornhole
Katherine Ruskey • SoCo Swings • Bruder Hill
Climate Experts of Delmarva • Radio Ocean City
Mid-Shore Diesel • Beach Tennis Maryland
Mercedes Benz of Salisbury • Telescope Pictures
Shore Boy Fishing



WORLD'S LARGEST AND RICHEST BILLFISH TOURNAMENT

Presented by



MON, AUG 8 – FRI, AUG 12, 2022

Weigh ins from 4–9pm · Harbour Island 14th Street & The Bay

SPONSORS

GRAND SLAM

Mercedes-Benz of Salisbury • Pelagic • Under Armour

PLATINUM

Jarrett Bay Boatworks • Park Place Jewelers • Rick Bogert

DIAMOND

Bank of Ocean City • Boston Scientific • Brown Dog Marine • Hook Optics • Okiaya • SORD Products

GOLD

Atlantic Forest Products • East Coast IV • Eastern Title and Settlement • Ecuagringo • Engel & Volkers • Jet It
Mid Shore Electronics • Miller Lite • Northrop Realty • South Jersey Yacht Sales • Sunset Marina • The Mortgage Link
Viking Yachts • 92.7 & 98.5 WGMD The Talk of Delmarva

SILVER

B Fueling • Atlantic Tackle • Awlgrip/Interlux Yacht Paints • Bayliss Boatworks • Big Game Fishing Journal • Catch N Carry
Climate Experts of Delmarva • Free State Title Services of Annapolis • Garmin • Johnson & Towers • Mack Boring
McLean Mortgage • Mid-Shore Diesel • OC Fuel 247 • Rice, Murtha & Psoras Law • Spot Zero Reverse Osmosis

BRONZE

Bad Monkey • Baitmasters of South Florida • Blue Water Sportfishing Charters • Cummins Power Systems • Gowrie Group
Monkee's of Ocean City • Rental Solutions and Events • Spencer Yacht Brokerage • Travelstead

FOR MORE INFORMATION CALL 410-289-9229

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ART LEAGUE OF OCEAN CITY
CENTER FOR THE ARTS

&



We're Putting the **Fun** in **Fundraiser**
Splash Mountain
Water Park Day Pass
\$30

Tuesday, August 9, 2022

Splash Mountain Water Park - 10am-6pm

Passes Can Be Purchased At: 502 94th St, Ocean City, MD 21842
Rain or Shine | Org. \$44.99



Without Jolly
Roger, It's Just
Another Day at
the Beach!

#myjollysummer

www.jollyrogerpark.com - 30th St. & at the Pier - 410-289-3477

1972-2022

50th Anniversary

DIAKONIA INC.

Help for Today & Hope for Tomorrow

Since the summer of 1972, when a group of Mennonite young people volunteered their lives to live and serve the homeless, Diakonia has been acting out its name "serving" the homeless. What began as one house, and four little cottages is now two buildings providing up to 50 beds including family units that allow for families to stay together when needing emergency shelter. We are excited to share this special milestone with the community and we hope you will join us in celebrating the past, the present, and our exciting plans for a bright future.

SPONSORSHIP LEVELS

Deadline October 15th

SUSTAINER \$15,000 - only one available

- Featured in press releases, emails and boosted social media posts
- Logo featured on 50th Anniversary Donation website & Program Sponsor page
- Center spread (full page) in the Anniversary Program
- Logo inclusion on Celebration Event invitation
- During Celebration Event, your company featured prominently on screen
- Verbal acknowledgement during Celebration Event
- Your 60-second video to play on main screen at Celebration Event
- 10 tickets to Celebration Event

Sold
Belfast Valley
Contractors

CULTIVATOR \$10,000 - only two available

- Featured in press releases, emails and boosted social media posts
- Listed as sponsor on 50th Anniversary Donation website & Program Sponsor page
- Full page ad in the Anniversary Program
- Logo inclusion on Celebration Event invitation
- Featured in rotation on screen
- Verbal acknowledgement during celebration event
- 8 tickets to Celebration Event

ADVOCATOR \$5,000

- Inclusion in press releases, emails and boosted social media posts
- Listed as sponsor on 50th Anniversary Donation website & Program Sponsor page
- Half-page ad in the Anniversary Program
- Featured in rotation on screen
- Verbal acknowledgement during event
- 4 tickets to Celebration Event

HELPER \$2,500

- Inclusion in press releases, emails and boosted social media posts
- Listed as sponsor on 50th Anniversary Donation website & Program Sponsor page
- Featured in rotation on screen
- 2 tickets to Celebration Event

PARTNER \$1,000

- Listed in Anniversary Program as Partner
- Name listed on screen at event

12747 Old Bridge Rd. Ocean City, MD 21842

410-213-0923

www.diakoniaoc.org

50th Anniversary
1972-2022 **DIAKONIA** INC.
Help for Today & Hope for Tomorrow

SPONSORSHIP RESERVATION FORM
DEADLINE OCTOBER 15TH

RESERVE YOUR SPOT TO SUPPORT OUR COMMUNITY!
YOUR SUPPORT IS GREATLY APPRECIATED!

Sponsorship Levels

SUSTAINER: (only one available) \$15,000 _____ SOLD _____

CULTIVATOR: (only two available) \$10,000 _____

ADVOCATOR: \$5,000 _____

HELPER: \$2,500 _____

PARTNER: \$1,000 _____

Sponsorship Reservation Information

Name of Business: _____

Contact: _____

Mailing Address: _____

Contact Cell#: _____ Email Address: _____

Payment Information

I will be mailing Check # _____

Mail Form and Check to: Diakonia Anniversary Committee / Bank of Ocean City
PO Box 4100
Ocean City, MD 21843

To reserve sponsorship - contact Kim Mumford (410)430-2145 kimmmfrd@comcast.net

Questions: Amy Ginnavan - seasidecounseling@gmail.com / Susan Jones susanjones@ocvisitor.com

50th Anniversary
1972-2022 **DIAKONIA** INC.
Help for Today & Hope for Tomorrow

ANNIVERSARY PROGRAM

CELEBRATING 50 YEARS!

RESERVE YOUR SPACE TO SUPPORT OUR COMMUNITY!

THE ADS WILL BE SOLD BY OC TODAY AND BE PLACED IN PROGRAM THAT WILL BE GIVEN OUT TO ALL ATTENDEES OF THE ANNIVERSARY CELEBRATION EVENT ON NOVEMBER 4TH. ADDITIONALLY, THE PROGRAM WILL REMAIN ONLINE ON THE DIAKONIA WEBSITE, DIAKONIAOC.ORG.

ADVERTISING OPTIONS:

FULL PAGE: \$350 - non-bleed 5.25" wide x 8.25" deep

HALF-PAGE: \$200 horizontal - 5.25" wide x 4" deep

vertical - 2.5" wide x 8.25" deep

PREMIUM INSIDE FRONT & BACK COVER: \$500- ALL BLEEDS
6 .5" WIDE X 9.5" DEEP WITH IMAGE AREA NO LARGER THAN
5.25" X 8.25"

Space Reservation Information

Name of Business: _____

Contact: _____

Mailing Address: _____

Contact Cell#: _____ Email address: _____

AD Size: (circle one) FULL PAGE HALF-PAGE INSIDE FRONT COVER INSIDE BACK COVER OUTSIDE BACK COVER

_____ AD will be supplied to OC Today by October 1, 2022

_____ AD to be created by OC Today with a proof supplied to Advertiser

Payment Information - 3 ways to donate!

1). I will be mailing Check # _____ mail to: Diakonia Attn: Anniversary Committee/BOC PO Box 4100 Ocean City MD 21843

2). Please charge my credit card for the full amount:

Card # _____ Expiration _____ VCode _____

Signature: _____

3). Scan QR Code below to donate directly on Diakonia site:



To reserve space or ask questions, contact OC Today Ad Sales -
Mary Cooper mcooper@oceancitytoday.net 410-723-6397

12747 Old Bridge Rd. Ocean City, MD 21842

410-213-0923

www.diakoniaoc.org

Welcome To
OCEAN CITY!

**ATTN: Restaurants &
Attractions -- reach
guests directly -
advertise in the OC
Keycard Holder!
Call Susan to reserve a
spot for 2023!
410.289.6733**

**2022
OC
Keycard
Holder**

300,000 copies

50+ hotel front desks

Given directly to Visitors
at check-in



HOTEL • MOTEL • RESTAURANT • ASSOCIATION • INC.

To advertise, call 410.289.6733

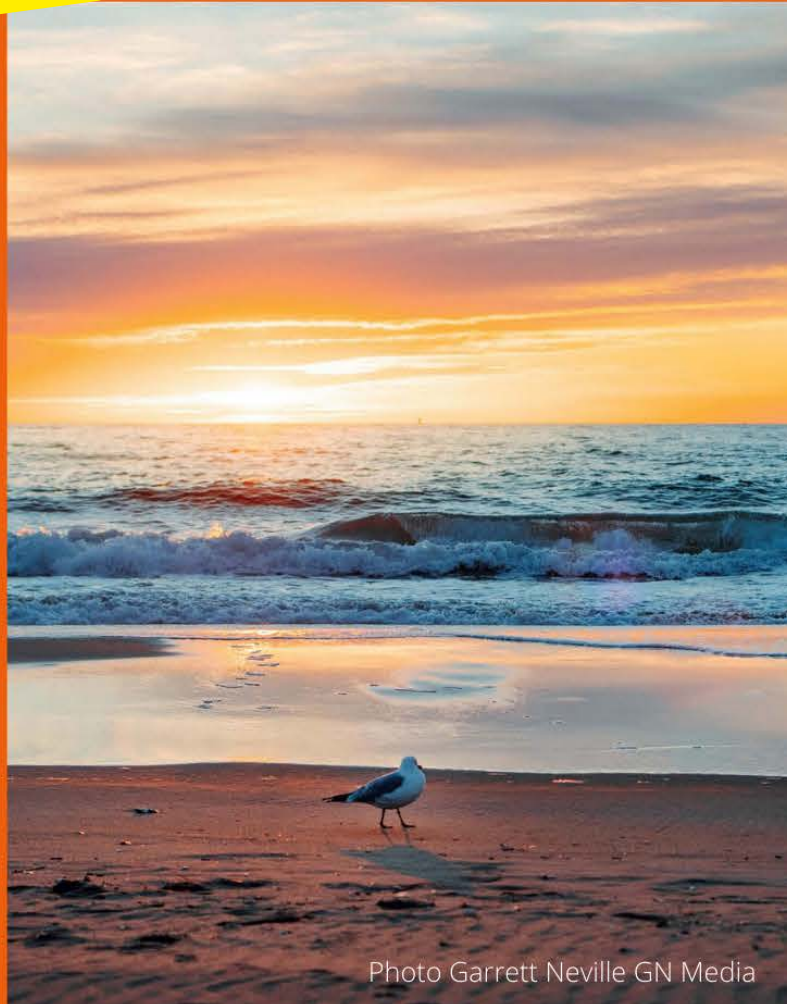


Photo Garrett Neville GN Media

UP TO
\$26,000 PER EMPLOYEE
FOR 2020/2021 COMBINED

ERC

EMPLOYEE RETENTION CREDIT

A CREDIT THAT, FOR ELIGIBLE BUSINESSES,
PROVIDES A VERY SIGNIFICANT CASH BENEFIT

The Employee Retention Credit (ERC) is a fiscal incentive created by Congress in the form of a payroll tax credit. The intent of the credit is to combat the negative impact on the economy caused by the COVID-19 Pandemic. More specifically, it is meant to help employers retain their employees.

The potential maximum combined credit for 2020 and 2021 is \$26,000 per employee. Receiving a Paycheck Protection Program (PPP) loan does not instantly exclude you from qualifying.

 +1 (202) 455-6010

 Info@SmarterTaxPlanning.com

 SmarterTaxPlanning.com



WAYS TO QUALIFY FOR THE CREDIT:

WAS YOUR BUSINESS IMPACTED BY A GOVERNMENT MANDATE DURING 2020 OR 2021?

YES

Businesses impacted by closures and restrictions on hours or capacity automatically qualify. This provision also extends to suppliers of a business. If a business can prove its operations were impacted as a result of the inability to obtain goods or materials from its suppliers, it may qualify for the ERC. If any aspect of your business was impacted by a government mandate, please reach out to us so that we may determine if you qualify.

DID YOUR BUSINESS HAVE A REDUCTION IN GROSS RECEIPTS OF AT LEAST 20% FOR ANY QUARTER IN 2021 OR 50% IN 2020 WHEN COMPARED TO THE SAME QUARTER IN 2019?

YES

The second way to qualify is based on a significant reduction of gross receipts. This is measured on a quarter by quarter basis. To qualify for a quarter in 2021, you need at least a 20% reduction of gross receipts compared to the same quarter in 2019. For 2020, you need at least a 50% reduction.

Strategic Tax Planning, LLC is a Maryland licensed CPA firm (license #44976) with professionals around the country. This is an advertisement for services to claim a refund for the Employee Retention Tax Credit.



PUBLIC AFFAIRS
POLICY
BRIEF SERIES

Small business tax credits, such as the ERTC, that are used for payroll, debt servicing, and other expenses, do NOT increase consumer demand for goods and services, and therefore do not increase inflation. Reinstating the ERTC would not increase inflation.

Since being introduced in the House and Senate in December 2021 and February 2022, respectively, the ERTC Reinstatement Act has gained broad bipartisan support in both chambers.

LEARN MORE

Visit
[Restaurant.org](https://www.restaurant.org)

NATIONAL
RESTAURANT
ASSOCIATION



POLICY BRIEF: ERTC REINSTATEMENT ACT

RESTORING TAX CREDITS WILL HELP RESTAURANTS IN PERIL

A valuable COVID-19 relief tool that helped to keep many restaurants afloat during the pandemic, the Employee Retention Tax Credit (ERTC) was cut short in the fall of when COVID-19 variants drastically altered consumer demand, decreased sales and reversed the restaurant recovery. Restoring the badly needed program for Q4 (Oct.-Dec) 2021 will help struggling small businesses now facing extensive refund delays and unexpected tax penalties.

RESTAURANTS ARE UNIQUELY ELIGIBLE FOR ERTC

To be eligible for ERTC, businesses must have experienced a 20% or more loss in gross receipts for a calendar quarter or a government-ordered capacity restriction. The first to close in the pandemic, restaurants have been the last to reopen. **Approximately 60% of restaurants experienced losses of 20% or more in Q4 (Oct.-Dec.) 2021 according to a January 2022 National Restaurant Association survey.**

DELAYS PUT RESTAURANTS IN A DANGEROUS POSITION

IRS delays in processing approximately 440,000 amended Form 941 applications are putting restaurants in a perilous position, with many waiting 9 months or more for funds. Because of this, **during the 2021 tax season, small business restaurants that applied for ERTC lost standard tax deductions for payroll and benefits, creating a severe cash on hand shortfall.**

SMALL BUSINESSES NOW FACE A TAX CLAWBACK

The ERTC program allowed small businesses to withhold tax payments. Restaurants that did so or budgeted for a credit payment, but have not received it, now face an unexpected federal tax liability. For example, one family-owned restaurant in Texas that has yet to receive ERTC refunds now owes more than \$1.14M in unexpected taxes.

POLICYMAKERS CAN HELP SMALL BUSINESSES WITH TAX CREDITS

Delays from unprocessed filings and mounting tax penalties could serve as the final blow to small business restaurants on the verge of permanent closure unless Congress acts. **The restaurant industry urges Congress to pass the bipartisan ERTC Reinstatement Act (H.R. 6161, S. 3625).**

“We kept on our 100+ team through the worst of the pandemic. The ERTC was a life saver, flowing right through our restaurants and to their wages. However, too many restaurants are still struggling and need this targeted support.” - New Hampshire Restaurateur