



### **FOLLOW UP Tax Advisory: ERTC Terminated for Eligible Wages Paid after Sept. 30**

The COVID-19-related employee retention tax credit (ERTC) is on track to be terminated for this current calendar quarter, October – December 2021. Restaurants and other eligible small businesses who planned to withhold federal income taxes during this period should consider preparing these payments accordingly. It is expected that formerly eligible wages paid after September 30 will be ineligible for ERTC.

On Friday, November 5, 2021, the House of Representatives passed the bipartisan *Infrastructure Investment and Jobs Act* by a 228 – 206 vote which had already passed the Senate in August by a vote of 69-30. This legislation ends ERTC for the fourth calendar quarter of 2021 in order to raise \$8 billion and partially offset federal infrastructure spending increases. Previous ERTC eligibility or payments, either for 2020 or any of the prior three calendar quarters for 2021, should not be affected.

The Association will continue to provide updates to members and our state restaurant association partners. After the bill is signed into law, affected businesses are encouraged to contact their accountants or tax professionals for further guidance.

For more information on ERTC, please access the [ERTC Policy Brief](#).