

ERC Update | September 4, 2024

1. IRS thinks 15% are high risk, 70% are unacceptable risk, another 15% are low risk June 20th [IRS enters next stage of Employee Retention Credit work; review indicates vast majority show risk of being improper | Internal Revenue Service](#)
2. IRS warning signs of bad claims again with indication a second voluntary disclosure was coming July 26th [IRS shares more warning signs of incorrect claims for the Employee Retention Credit; urges businesses to proactively resolve erroneous claims to avoid penalties, interest, audit | Internal Revenue Service](#)
3. IRS announcement of processing claims, continued monitoring of bad claims August 8th [IRS moves forward with Employee Retention Credit claims: Agency accelerates work on complex credit as more payments move into processing; vigilance, monitoring continues on potentially improper claims | Internal Revenue Service](#)
4. IRS announcement of 30k denial letters August 15th [IRS reopens Voluntary Disclosure Program to help businesses with problematic Employee Retention Credit claims; sending up to 30,000 letters to address more than \\$1 billion in errant claims | Internal Revenue Service](#)
5. Seeing IRS denials and seeing IRS processing taking place
6. Taxpayer Advocate wrote a letter urging more time to respond and appeal the denial letters and pointing out the issues with appeals and sending cases back to examination [Did You Receive a Notice of Claim Disallowance for Your Employee Retention Credit Refund Claim? If So, Now What? - Taxpayer Advocate Service \(irs.gov\)](#)