

Small Businesses & Tax-Exempt Organizations: Beware of Tax Credit Scams!



Don't get conned by Employee Retention Credit scammers

The IRS urges small businesses and tax-exempt organizations to steer clear of scam promoters who promise big money to people who aren't eligible for the **Employee Retention Credit**.

These **scammers may lie about your eligibility**. They might **charge a big fee** based on the size of the refund to "help" you claim the credit. They line their pockets and leave **you** with big tax issues, because **anyone who improperly claims the credit has to pay it back, possibly with penalties and interest**. They may even use your personal information for identity theft.

The IRS doesn't want this to happen to you.

The ads and misinformation are all over radio, TV, social media and the internet. You may even get emails or phone calls about it. These scammers lure you with fast money through their "easy application process." The only way to claim the ERC is on a federal tax return.

Don't let these scam artists con you. Be sure you qualify if you're going to claim the credit – and get reputable help.

Need help?

If you need help claiming the credit, or if you claimed the credit improperly and need help amending your return, find tips for **choosing a tax professional** at [IRS.gov](https://www.irs.gov).

For information on reporting illegal activities relating to the Employee Retention Credit, visit [IRS.gov/ERC](https://www.irs.gov/ERC).

Properly claiming the Employee Retention Credit

The ERC is a real and valuable credit, available for tax years 2020 and 2021 for those who qualify.

When properly claimed, the ERC is a refundable tax credit for certain businesses and organizations that:

- continued paying employees despite being shut down due to the COVID-19 pandemic, or
- experienced the required decline in gross receipts during the eligibility periods.

The credit is available to eligible employers that paid qualified wages to some or all employees after March 12, 2020, and before January 1, 2022.

The requirements differ depending on the dates for which you claim the credit.

Find eligibility information at [IRS.gov/ERC](https://www.irs.gov/ERC).

