



Employers located in a Qualified Disaster Zone may be eligible for federal Disaster Relief Tax Credits, up to \$2,400 per eligible employee

On December 20, 2019, President Trump signed the *Further Consolidated Appropriations Act, 2020* which includes a 2018 and 2019 Employee Retention Credit for employers affected by qualified disasters. The Credit may be worth up to \$2,400 per eligible employee for qualified wages paid or incurred by an eligible employer. Qualified wages include wages paid or incurred during the time the employer's trade or business located in a Qualified Disaster Zone was inoperable due to a disaster (up to 150 days after the disaster).

Inoperability

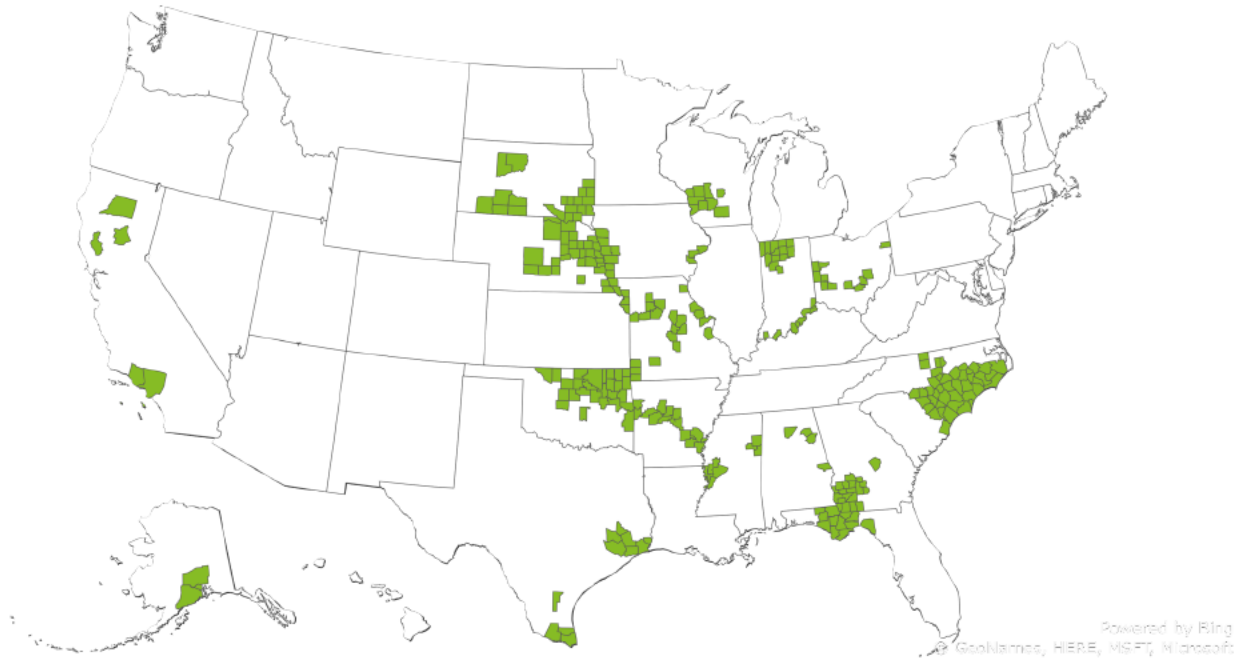
A location may be inoperable for more than a physical closure. Some examples of inoperability may include:

- Reduced sales or customer visits
- Increased employee absence
- Reduced production or employee attendance
- Supply chain delays

Qualified Disaster Zone Areas

The credit is applicable for employers impacted by qualified disasters, as designed. In 2018 and 2019, portions of multiple states were impacted by natural disasters, such as wildfires, floods and hurricanes. These states include Georgia, Florida, South Carolina, North Carolina, California, and Texas.

2018 & 2019 Qualified Disaster Zones



Analysis Opportunity

Deloitte can perform an analysis on your business to identify locations and time periods for potential credits. After the analysis, Deloitte can advise on the potential applicability for a credit including studying the inoperability periods for each eligible location, calculating the available credits for each employee, and compiling any necessary documentation.

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