

January 19, 2022

The Honorable Joseph Biden  
President of the United States  
The White House  
Washington, DC 20500

The Honorable Nancy Pelosi  
Speaker of the House  
U.S. House of Representatives  
Washington, DC 20515

The Honorable Kevin McCarthy  
House Minority Leader  
U.S. Senate  
Washington, DC 20515

The Honorable Charles Schumer  
Senate Majority Leader  
U.S. Senate  
Washington, DC 20510

The Honorable Mitch McConnell  
Senate Minority Leader  
U.S. Senate  
Washington, DC 20510

**RE: Support Passage of the Employee Retention Tax Credit Reinstatement Act (H.R.6161)**

Dear President Biden, Speaker Pelosi, Leader Schumer, Leader McCarthy, and Leader McConnell:

The undersigned organizations represent a variety of charitable nonprofits and trade associations whose small business members and their employees, have been acutely affected by the ongoing COVID-19 pandemic and urge your immediate action on reinstatement of the Employee Retention Tax Credit (ERTC).

Over the last two years, Congress enacted several support programs for struggling businesses and nonprofits, but as we enter the third year of the coronavirus pandemic, certain industries' revenues remain at mere fraction of their pre-pandemic levels. Each new coronavirus variant brings new restrictions affecting the small businesses our members own and operate, as well as charitable organizations throughout the country. Further worsening this problem was the cancellation of the Employee Retention Tax Credit for the fourth quarter of 2021 as part of the Infrastructure Investment and Jobs Act (P.L. 117-58).

As you know, Congress initially created the ERTC as part of the CARES Act to encourage businesses and nonprofits to keep employees on the payroll through 2020. This program was expanded by providing a refundable tax credit of up to \$7,000 per employee per quarter and extended through 2021 in subsequent legislation to promote retention of staff and encourage the rehiring of workers that employers may have let go at the start of the pandemic.

With most recipients having long since expended their Paycheck Protection Program (PPP) loans, if available to them at all, the employers and members we represent were counting on ERTC support as it was one of the few financial support programs during the pandemic that enabled America's employers to keep employees on the payroll. Many small businesses and charitable nonprofits continued to take the tax credit into the fourth quarter, which started six

weeks before the infrastructure bill was signed into law, and now face a retroactive tax increase and a complex, disruptive process of reconciling the credit that they will now have to forfeit.

Just as businesses began resuming operations, new variants caused an increase in cases throughout the nation, compounding business disruptions and prolonging recovery. Ending the ERTC early – amid an extraordinarily challenging business environment – froze the process of rehiring furloughed employees, caused employers to consider additional layoffs, and made it impossible for small employers to forecast financial solvency into the new year.

On behalf of the small businesses and organizations we represent, the employees who rely on them for their livelihoods, and the communities we serve, we urge you to restore the ERTC through the end of the year, as laid out in the recently introduced Employee Retention Tax Credit Reinstatement Act (H.R. 6161). This bipartisan piece of legislation currently boasts nearly 40 bipartisan cosponsors and over 50 endorsing organizations.

Thank you for your consideration on this important matter. If you have any questions or would like to discuss this further, please contact Robert Jackson with the National Automatic Merchandising Association (NAMA) at [rjackson@namanow.org](mailto:rjackson@namanow.org).

Sincerely,