



Dental Employee Retention Credit FAQ

1. What is the Employee Retention Tax Credit (ERC)?

ANSWER: ERC is a refundable tax credit that is obtained through amending quarterly payroll tax returns in 2020 or the first, second, or third quarter of 2021.

2. Is a dentist or dental specialist eligible for the ERC funds?

ANSWER: Eligibility is based on meeting one of the following two criteria:

- a. The Practice experienced an impact of a full or partial shutdown due to federal or state government orders.

OR

- b. The Practice experienced a significant decline in gross receipts during any quarter compared to the same quarter of 2019. Significant is defined as a 50 percent decline in any quarter during 2020 and a 20 percent in any quarter during 2021.

NOTE: The eligibility test above requires the customer to meet just one of the two criteria, not both. The impact of a shutdown should not be limited simply to closing the doors of the practice. Aprio strongly encourages a free consultation to determine the eligibility.

3. Where does a TR enter a name of customer who is interested in an Employee Retention Tax Credit (ERC) free consultation?

ANSWER: <https://patterson.aprio.com/reps/> Please be aware this link requires you to log into Patterson via the SSO process.

4. Is the ERC submission link for Patterson reps different than the practice transitions link?

ANSWER: Yes! Two distinctly separate links exist that drive different processes internally at Aprio. Using the correct link is essential.

5. Can a practice owner directly submit their information to Aprio versus the rep submitting?

ANSWER: Yes, via this link: <https://patterson.aprio.com/dental-services/>

6. Will the TR or ES receive a phone call or communication from Aprio once the customer's name is submitted to Aprio?

ANSWER: No. A follow up phone call is not required given the nature of the ERC engagement versus a transition.

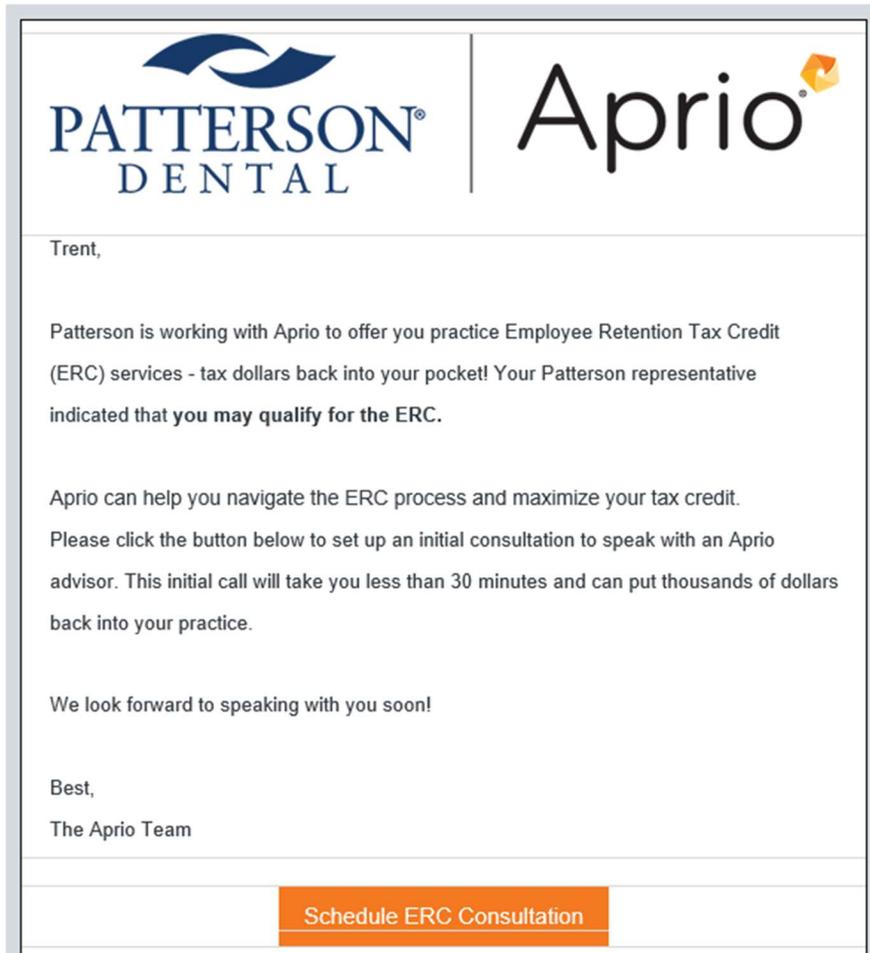
7. Who has the responsibility for scheduling the free consultation to discuss ERC eligibility?

ANSWER: The customer has the responsibility to schedule the free consultation via a link sent by email to the customer. The customer will not be contacted via a



telephone call from Aprio. The link provides the customer the ability to schedule the call with Zach, the Aprio Dental ERC expert.

Here is a screenshot of what the customer will receive.



8. Might your customer indicate their current CPA stated the Practice is NOT eligible for ERC?

ANSWER: Very possible. The strong potential exists for the customer's CPA to not be familiar with the exact rules surrounding the entire ERC program. Aprio strongly encourages you to press the customer to agree to a free consultation with Aprio.

9. What is the average amount Dental Practices are receiving in ERC funds?

ANSWER: Per the calculations completed by Aprio, the average refund amount is \$70,600.

10. If a Practice received the PPP or Provider Relief Funds, is the Practice still eligible for the ERC funds?

ANSWER: Yes.



11. How long does it take to complete the process of applying for the ERC funds?

ANSWER: Approximately 4 to 6 weeks.

12. Once the amended payroll returns are completed and filed with the Internal Revenue Service, how long before the Practice receives the funds?

ANSWER: The timing between the filing date of the amended payroll tax returns and the receipt of the tax credits is difficult to predict. Aprio estimates 3 to 4 months.

13. Will Aprio collaborate with the CPA or payroll company serving the dental practice?

ANSWER: Yes!

14. Can a payroll service perform the ERC calculation for a dental Practice?

ANSWER: Potentially, yes. But will the payroll provider ensure compliance with the other federal programs such as PPP and Provider Relief Funds? Applying for the ERC fund without ensuring compliance with all federal funds received is extremely risky.

15. Will receiving the ERC funds trigger an IRS audit?

ANSWER: No.

16. If I was selected for an audit of my ERC amended payroll tax returns, would Aprio assist?

ANSWER: Yes. Aprio can provide audit defense services if you were selected for an audit.

17. What is the approximate last date that a dental practice can apply for ERC funds?

ANSWER: Many factors can influence this date. We strongly encourage an entity applying for ERC funds prior to March 31, 2023.

18. What is the purpose of the free consultation?

ANSWER: The Aprio Dental ERC expert can directly communicate with the practice owner concerning the factors influencing their eligibility for ERC.

19. Does Aprio acknowledge a minimum number of employees in an entity prior to applying for the credit?

ANSWER: Yes. Entities having below 5 employees typically do not merit the effort to apply for the ERC funds. The number 5 represents employees who are not the practice owner nor family members of the owner.