



erc vs. ppp

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April 17, 2020

If you didn't get a Payroll Protection Program (PPP) loan before the SBA ran out of funds, there are still other benefits available under the CARES Act that was recently passed by Congress.

The CARES Act also provides for the Employee Retention Credit (ERC) which is a tax credit equal to 50 percent of the qualified wages paid to employees up to \$5,000 per employee. If you get a PPP loan, one big negative consequence is that you cannot claim the ERC. So each business needs to make a determination of whether it's better off with a PPP loan or ERC. This is a complicated decision which will vary from business to business.

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