

## LARK HOTELS CASE STUDY

How a boutique hotel chain claimed the Employee Retention Credit with Leyton for financial recovery from COVID-19.

**\$300,000 + COUNTING**

### PROBLEM

COVID-19 had a devastating impact on the hospitality industry and hoteliers are among the hardest hit. Lark Hotels had to close all of their operations with no reopening in sight. **Did you have a full or partial shutdown, or experience a decline in revenue due to COVID-19? If you answered yes, chances are you qualify for the Employee Retention Credit ("ERC").**

### SOLUTION

The Employee Retention Credit, under the CARES Act, is a relief measure for businesses which encourages them to keep employees on their payroll. It is a refundable credit that offsets employment taxes and has been one of the most beneficial tax credits available to hotels that have been financially impacted by COVID-19.

### IMPACT

#### \$26,000 Per Employee

Under the Employee Retention Credit, you can receive up to \$26k per employee. Lark had 70 employees during the peak season of summer & 40 employees on staff during the down period of winter. Several of the properties Lark Hotels represents were eligible and the credits ranged from modest to significant financial impact.

#### Expansion & Financial Recovery

With money from the ERC on the way, Lark Hotels had the confidence and financial support to come back better than ever. Peter shared, "when Covid first hit our industry back in late February of 2020 we were comprised of 26 hotels in 7 states, we are now 42 hotels in 10 states."

#### How We Made It Happen

Peter highlights his experience with Leyton as "knowledgeable, articulate, well versed and timely in their communication and follow up - I'd work with the Leyton team again and certainly would recommend them to prospective clients who are contemplating a group to work with on their ERC's."



**"IT WAS SIMPLE BECAUSE I WORKED WITH LEYTON"**

#### Tax Specialists

We have over 70 specialists on staff to calculate and keep up with the legislation changes surrounding ERC.

#### Tax Attorneys

In the case of an audit, we have tax attorneys on staff that will support you.

#### Tax Credits

We ensure you are receiving your maximum refund and are not double dipping. Already claimed PPP loans? You're still eligible.



"What was surprising and is still surprising to me are all the people/groups I speak with that haven't taken the time to look at it (ERC) and see if their business qualifies"

#### Peter Twachtman

Chief Executive Officer  
Lark Hotels