

## **Employee Retention Tax Credit**

# Form 941-X Quick Guide

This quick guide highlights the sections related to the ERTC in the 941-X form.

**Disclaimer:** this guide is only for the ERTC. If you are taking additional credits we advise that you seek the assistance of your accountant or payroll provider.



#### **Outline**

Part 1 & Part 2

Part 3 Line 26a

Part 3 Line 27

Part 3 Line 33a

Part 3 - Lines 30 & 31a

Part 4 - Line 43

Where to File Your Taxes (for Form 941-X)

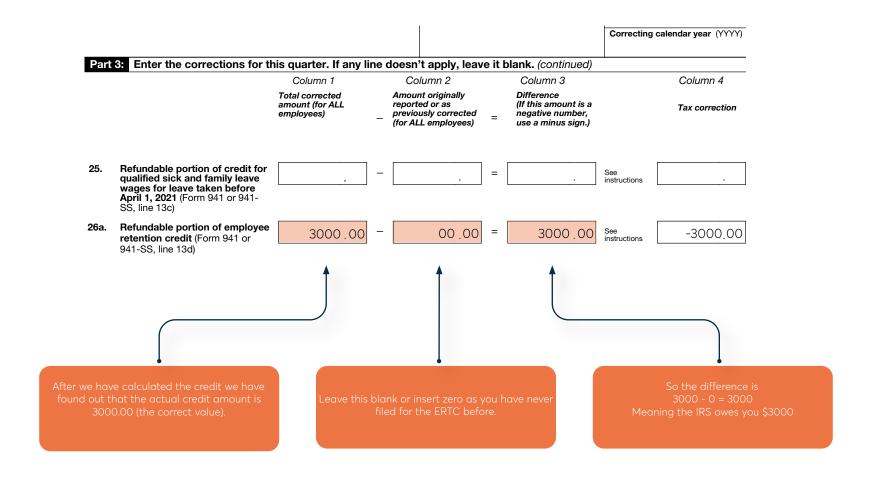


Form 941-X: Adjusted Employer's QUARTERLY Federal Tax Retu  (Rev. July 2021) Department of the Treasury – Internal Revenue Service  Employer identification number	OMB No. 1545-0029	Check 941 if your company is located in the US.
(EIN)	Return You're Correcting Check the type of return you're correcting.	Check 941-SS if your company is not in the US but located in one of the US territories.
Name (not your trade name)	941 941-SS	located in one of the OS territories.
Trade name (if any)		
Address  Number Street Suite or noom number  City State ZIP code	Check the ONE quarter you're correcting.  1: January, February, March  2: April, May, June  3: July, August, September	Check the relevant quarter
Foreign country name Foreign province/country Foreign postal code	4: October, November, December	
Read the separate instructions before completing this form. Use this form to correct errors you made on Form 941 or 941-SS. Use a separate Form 941-X for each quarter that needs correction. Type or print within the boxes. You MUST complete all five pages. Don't attach this form to Form 941 or 941-SS unless you're reclassifying workers; see the instructions for line 42.	Enter the calendar year of the quarter you're correcting.	Insert the concerned calendar year
Part 1: Select ONLY one process. See page 6 for additional guidance, including information on how to treat employment tax credits and social security tax deferrals.	Enter the date you discovered errors.	
Adjusted employment tax return. Check this box if you underreported tax amounts. Also check this box if you overreported tax amounts and you would like to use the adjustment process to correct the errors. You must check this box if you're correcting both underreported and overreported tax amounts on this form. The amount shown on line 27, if less than zero, may only be applied as a credit to your Form 941, Form 941-SS, or Form 944 for the tax period in which you're filling this form.	(MM / DD / YYYY)	Insert the date when you have discovered the error (in case you're filing this for for the second time to make some corrections)
2. Claim. Check this box if you overreported tax amounts only and you would like to use the claim process to ask for a refund or abatement of the amount shown on line 27. Don't check this box if you're correcting ANY underreported tax amounts on this form.		
Part 2: Complete the certifications.		
3. I certify that I've filed or will file Forms W-2, Wage and Tax Statement, or Forms W-2c	, Corrected Wage and Tax Statement,	
as required.  Note: If you're correcting underreported tax amounts only, go to Part 3 on page 2 and skip lines tax amounts, for purposes of the certifications on lines 4 and 5, Medicare tax doesn't include Addi used to correct overreported amounts of Additional Medicare Tax unless the amounts weren adjustment is being made for the current year.  4. If you checked line 1 because you're adjusting overreported federal income tax, social s Medicare Tax, check all that apply. You must check at least one box. I certify that:	tional Medicare Tax. Form 941-X can't be 't withheld from employee wages or an	This line certifies that the company is using correct information for their analysis and should always be
a. I repaid or reimbursed each affected employee for the overcollected federal income tax or year and the overcollected social security tax and Medicare tax for current and prior years security tax and Medicare tax overcollected in prior years, I have a written statement from or she hasn't claimed for the claim was rejected) and won't claim a refund or credit for the	s. For adjustments of employee social a each affected employee stating that he	checked.
The adjustments of social security tax and Medicare tax are for the employer's share only each affected employee didn't give me a written statement that he or she hasn't claimed relaim a refund or credit for the overcollection.	. I couldn't find the affected employees or (or the claim was rejected) and won't	
c. The adjustment is for federal income tax, social security tax, Medicare tax, or Additional Newspleye wages.	Medicare Tax that I didn't withhold from	
<ol> <li>If you checked line 2 because you're claiming a refund or abatement of overreported fede Medicare tax, or Additional Medicare Tax, check all that apply. You must check at least one I certify that:</li> </ol>	ral income tax, social security tax,	
I repaid or reimbursed each affected employee for the overcollected social security tax and social security tax and Medicare tax overcollected in prior years, I have a written statement that he or she hasn't claimed for the claim was rejected; and won't claim a refund or cred	nt from each affected employee stating	
b. I have a written consent from each affected employee stating that I may file this claim for tax and Medicare tax. For refunds of employee social security tax and Medicare tax overc written statement from each affected employee stating that he or she hasn't claimed (or the refund or credit for the overcollection.	the employee's share of social security collected in prior years, I also have a	Check the box on line 5c to certify that your overreported tax is only for the employer share of socio
c. The claim for social security tax and Medicare tax is for the employer's share only. I could affected employee didn't give me a written consent to file a claim for the employee's shar or each affected employee didn't give me a written statement that he or she hasn't claime claim a refund or credit for the overcollection.	e of social security tax and Medicare tax, ed (or the claim was rejected) and won't	security and medicare taxes.
<ul> <li>d. The claim is for federal income tax, social security tax, Medicare tax, or Additional Medica employee wages.</li> </ul>	Next <b>■</b> ▶	
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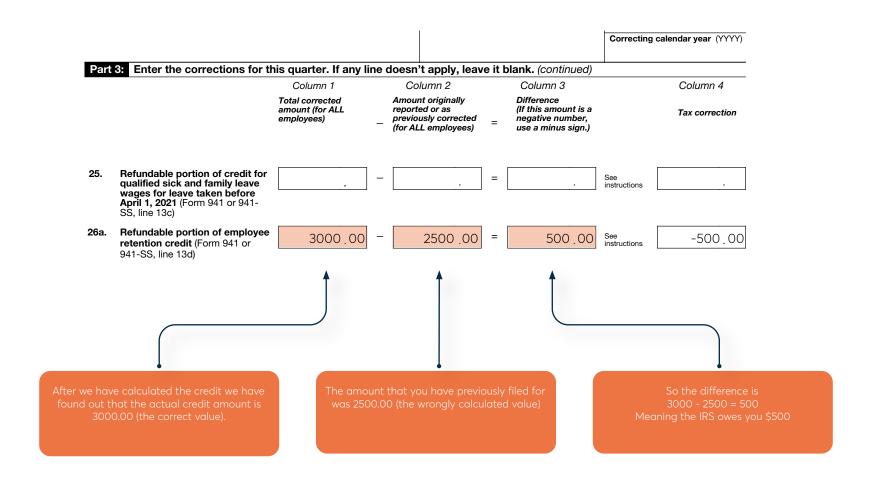


Name	(not your trade name)	Employer ider	Employer identification number (EIN)			Correcting quarter (1, 2, 3, 4)				
								Correcting calendar year (YYYY)		
Part	3: Enter the corrections for t	his quarter. If any l	ine d	oesn't apply, leav	e it l	olank. (continued)				
		Column 1		Column 2		Column 3		Column 4		
		Total corrected amount (for ALL employees)		Amount originally reported or as previously corrected (for ALL employees)	=	Difference (If this amount is a negative number, use a minus sign.)		Tax correction		
22.	Special addition to wages for Additional Medicare Tax		_		=		See instructions			
23.	Combine the amounts on lines 7 th	nrough 22 of Column 4	١.							
24.	Deferred amount of social security tax* (Form 941 or 941-SS, line 13b)		_		=		See instructions			
	541-66, line 155)	* Use this line to correct the en	mployer o	deferral for the second quarter	of 2020	and the employer and employe	ee deferral for the thir	d and fourth quarters of 2020.		
25.	Refundable portion of credit for qualified sick and family leave wages for leave taken before April 1, 2021 (Form 941 or 941- SS, line 13c)		_		=		See instructions	·		
26a.	Refundable portion of employee retention credit (Form 941 or		_		=		See instructions			
	941-SS, line 13d)									
able p t if yo	ount that you are claiming or the portion of ERTC, or the corrected u have filed the ERC beforehand nave found out that you have miscalculated it.		e amo	unt that was origir	nally i	reported.	This is simp	oly the difference between and the second cell.	een the firs	

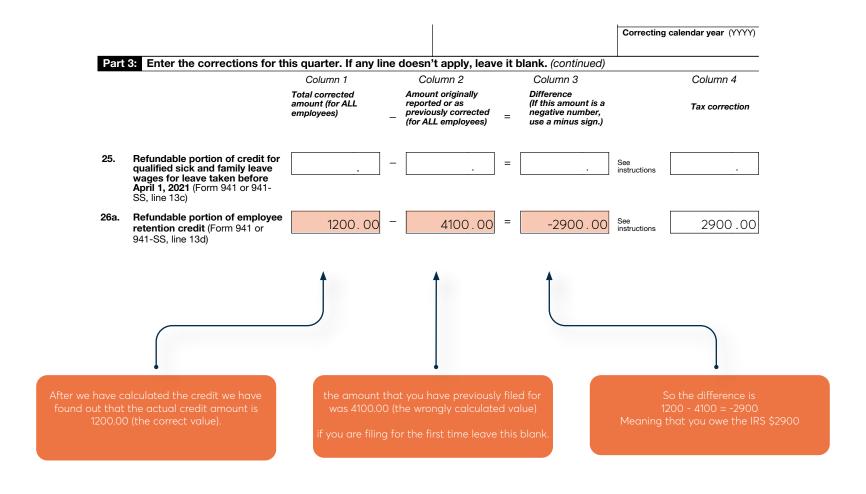














If you are filing for only the ERTC, you need to put the amount of line 26a in line 27 (Scenario 1), however, if you are filing for more than the ERTC, line 27 should contain the sum of all the claimed credits (Scenario 2).

#### Scenario 1

23.	Combine the amounts on lines 7 thr	ough 22 of Column 4						
24.	<b>Deferred amount of social</b> <b>security tax*</b> (Form 941 or 941-SS, line 13b)	* Use this line to correct the emplo	—	= of 2020 a	Ind the employer and employe	See instructions e deferral for the thi	rd and fourth quarters of 2020.	
25.	Refundable portion of credit for qualified sick and family leave wages for leave taken before April 1, 2021 (Form 941 or 941- SS, line 13c)			=		See instructions		
26a.	Refundable portion of employee retention credit (Form 941 or 941-SS, line 13d)	1200.00	4100.00	=	-2900 . 00	See instructions	2900 .00	
26b.	Refundable portion of credit for qualified sick and family leave wages for leave taken after March 31, 2021 (Form 941 or 941-SS, line 13e)			=		See instructions		
26c.	Refundable portion of COBRA premium assistance credit (Form 941 or 941-SS, line 13f)		-	=		See instructions		
27.	Total. Combine the amounts on line	s 23 through 26c of Col	olumn 4				2900.00	

If line 27 is less than zero:

- If you checked line 1, this is the amount you want applied as a credit to your Form 941 or 941-SS for the tax period in which you're filing this form. (If you're currently filing a Form 944, Employer's ANNUAL Federal Tax Return, see the instructions.)
- If you checked line 2, this is the amount you want refunded or abated.

If line 27 is more than zero, this is the amount you owe. Pay this amount by the time you file this return. For information on how to pay, see *Amount you owe* in the instructions.



23.	Combine the amounts on lines 7 thr	ough 22 of Column 4							
24.	Deferred amount of social security tax* (Form 941 or 941-SS, line 13b)	* Use this line to correct the em		ferral for the second quarter o	= of 2020 a	and the employer and employee	See instructions deferral for the thin	rd and fourth quarters of 2020.	
25.	Refundable portion of credit for qualified sick and family leave wages for leave taken before April 1, 2021 (Form 941 or 941- SS, line 13c)		- [		=		See instructions		
26a.	Refundable portion of employee retention credit (Form 941 or 941-SS, line 13d)	1200 - 00	- [	4100 - 00	=	-2900 · 00	See instructions	2900 - 00	
26b.	Refundable portion of credit for qualified sick and family leave wages for leave taken after March 31, 2021 (Form 941 or 941-SS, line 13e)	3000.00	- [	5100.00	=	-2100 . 00	See instructions	2100.00	+
26c.	Refundable portion of COBRA premium assistance credit (Form 941 or 941-SS, line 13f)		-		=		See instructions		$\mathcal{Y}$
27.	Total. Combine the amounts on line	s 23 through 26c of C	Column	14				5000.00	

#### If line 27 is less than zero:

- If you checked line 1, this is the amount you want applied as a credit to your Form 941 or 941-SS for the tax period in which you're filing this form. (If you're currently filing a Form 944, Employer's ANNUAL Federal Tax Return, see the instructions.)
- If you checked line 2, this is the amount you want refunded or abated.

If line 27 is more than zero, this is the amount you owe. Pay this amount by the time you file this return. For information on how to pay, see *Amount you owe* in the instructions.

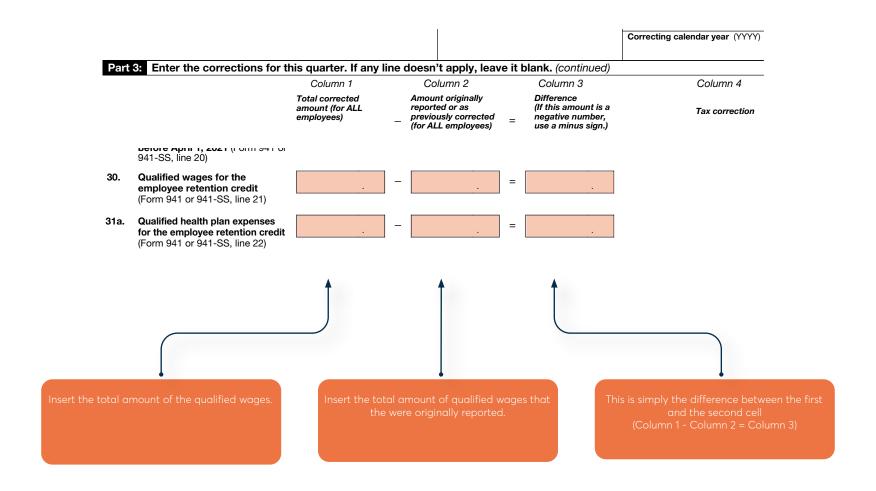


## 33a. Qualified Wages Paid March 13 Through March 31, 2020, for the Employee Retention Credit (Use This Line To Correct Only the Second Quarter of 2020)

If you're correcting the qualified wages paid March 13, 2020, through March 31, 2020, for the employee retention credit that you reported on Form 941, line 24, for the second quarter of 2020, enter the total corrected amount for all employees in column 1. In column 2, enter the amount you originally reported or as previously corrected. In column 3, enter the difference between columns 1 and 2. Enter the corrected amount from column 1 on Worksheet 2, Step 2, line 2c.

lame	(not your trade name)	Employer iden	Employer identification number (EIN)				
							Correcting c
Part	3: Enter the corrections for the	his quarter. If any	line do	esn't apply, leav	e it k	plank. (continued)	
		Column 1		Column 2		Column 3	
		Total corrected amount (for ALL employees)	re pi	mount originally eported or as reviously corrected or ALL employees)	=	Difference (If this amount is a negative number, use a minus sign.)	
33a.	Qualified wages paid March 13 through March 31, 2020, for the employee retention credit* (Form 941 or 941-SS. line 24)	* Use line 33a to correct o		ond quarter of 2020.	=		







74				his quarter.						
41.			corrections you			ude both und	derreport	ed and overrepo	orted amounts. Exp	lain both
42.	Check her	re if any	corrections in	volve reclass	ified worke	r <b>s.</b> Explain on	line 43.			
43.	. You must	give us a	a detailed expl	lanation of ho	ow you dete	rmined your	correction	ons. See the instru	ictions.	
			ust complete				_			
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Line 43 must contain a paragraph about how the credit has been calculated in detail, you could use the Report paragraph on page 6, it describes the calculation methodology for each year, 2020 and 2021, please use them accordinally.

### Where to File Your Taxes (for Form 941-X)



IF you are located in	THEN use this address
Connecticut, Delaware, District of Columbia, Florida, Georgia, Illinois, Indiana, Kentucky, Maine, Maryland, Massachusetts, Michigan, New Hampshire, New Jersey, New York, North Carolina, Ohio, Pennsylvania, Rhode Island, South Carolina, Tennessee, Vermont, Virginia, West Virginia, Wisconsin	Department of the Treasury Internal Revenue Service Cincinnati, OH 45999-0005
Alabama, Alaska, Arizona, Arkansas, California, Colorado, Hawaii, Idaho, Iowa, Kansas, Louisiana, Minnesota, Mississippi, Missouri, Montana, Nebraska, Nevada, New Mexico, North Dakota, Oklahoma, Oregon, South Dakota, Texas, Utah, Washington, Wyoming	Department of the Treasury Internal Revenue Service Ogden, UT 84201-0005
No legal residence or principal place of business in any state	Internal Revenue Service P.O. Box 409101 Ogden, UT 84409
Special Filing Addresses for exempt organizations; federal, state, and local governmental entities; and Indian tribal governmental entities regardless of location	Department of the Treasury Internal Revenue Service Ogden, UT 84201-0005
If you use a private delivery service to send your Form 941-X from any location to the IRS, it should be delivered to:	Ogden – Internal Revenue Submission Processing Center 1973 Rulon White Blvd. Ogden, UT 84201