

## ANALYSIS OF THE ECONOMIC VALUE OF PPP vs. ERTC

\$10,000 IN QUALIFYING PAYROLL COSTS (EXCLUDING DENTAL, VISION & GROUP LIFE)  
ASSUMED 37% TAX RATE APPLIES

PPP FUNDS RECEIVED/FORGIVEN	\$ 10,000	
MONEY SPENT FROM BUSINESSES FUNDS	\$ -	
TAX DEDUCTION SAVINGS AT 37%	\$ 3,700	
TOTAL ECONOMIC VALUE OF PPP	<u>\$ 13,700</u>	
ERTC TAX CREDIT RECEIVED: 2021	\$ 7,000	
NET MONEY SPENT FROM BUSINESSES FUNDS	\$ (3,000)	
TAX DEDUCTION OF NET \$3,000 AT 37%	\$ 1,110	
TOTAL ECONOMIC VALUE OF ERTC	<u>\$ 5,110</u>	COMPARED TO PPP
ERTC TAX CREDIT RECEIVED: 2020	\$ 5,000	
NET MONEY SPENT FROM BUSINESSES FUNDS	\$ (5,000)	
TAX DEDUCTION OF NET \$5,000 AT 37%	\$ 1,850	
TOTAL ECONOMIC VALUE OF ERTC	<u>\$ 1,850</u>	COMPARED TO PPP

BECAUSE PPP FUNDS ARE NOT MONIES FROM THE BUSINESSES FUNDS, AND IT CREATES A TAX DEDUCTION, THE FINAL ANALYSIS IS...

PPP FUNDS ARE MORE VALUABLE THAN THE ERTC

THE ERTC IS STILL VALUABLE, FOR ANY AMOUNT ABOVE THE PPP FUNDS FORGIVEN (SEE BELOW)

## WITHOUT COMPARING TO PPP (PPP IS FREE MONEY THAT IS DEDUCTIBLE) ERTC REDUCES DOWN THE DEDUCTION OF WAGES

ERTC TAX CREDIT RECEIVED: 2021	\$ 7,000
REDUCTION OF \$7,000 TAX DEDUCTION AT 37% COST	\$ (2,590)
TOTAL ECONOMIC VALUE OF ERTC	<u>\$ 4,410</u>
ERTC TAX CREDIT RECEIVED: 2020	\$ 5,000
REDUCTION OF \$5,000 TAX DEDUCTION AT 37% COST	\$ (1,850)
TOTAL ECONOMIC VALUE OF ERTC	<u>\$ 3,150</u>