



## Partial Suspension of Business Operations due to COVID-19

An employer whose trade or business operations are fully or partially suspended during a calendar quarter due to a governmental order is an Eligible Employer that may be entitled to the Employee Retention Credit. An employer may be considered to have a partial suspension of operations if, under the facts and circumstances, more than a nominal portion of its business operations are suspended by a governmental order.

### **Examples that may be considered a partial suspension of a business's operations:**

- A doctor's office that must restrict the number of patients in their waiting room at one time
- A dental office that must stagger their patient appointments to limit patient interaction
- A business that must close during normal working hours to clean/sanitize in between customers
- A restaurant that must close to on-site dining and can only operate via curbside, take-out, or delivery
- An auto parts manufacturing business that cannot procure raw materials from a supplier because of their supplier being shut down due to a governmental order
- A business that is required to close but allowed to provide services via telework. As a result of telework, certain tools or necessary equipment are not available
- A retail business that must close its retail storefront location due to a governmental order but can maintain and fulfill online orders. This is still considered a partial suspension due to the governmental order requiring it to close its retail store locations.
- A bar that is usually open until 2 am must close at 11 pm nightly due to a governmental order.
- A business, whose products are sold primarily by outside sales representatives, but those sales representatives cannot call on business clients/customers because those businesses are shut down as a result of a governmental order
- A grocery store (essential business) that must operate at no more than 50% capacity (or other than 100% capacity).

This list is not comprehensive. Additional examples can be found at [IRS.gov](https://www.irs.gov)