

S 5079

ERTC Repeal Act of 2024

Congress: 118 (2023–2025, Ended)

Chamber: Senate

Policy Area: Taxation

Introduced: Sep 18, 2024

Current Status: Read twice and referred to the Committee on Finance.

Latest Action: Read twice and referred to the Committee on Finance. (Sep 18, 2024)

Official Text: <https://www.congress.gov/bill/118th-congress/senate-bill/5079>

Sponsor

Name: Sen. Romney, Mitt [R-UT]

Party: Republican • **State:** UT • **Chamber:** Senate

Cosponsors (2 total)

Cosponsor	Party / State	Role	Date Joined
Sen. Manchin, Joe, III [I-WV]	I · WV		Sep 18, 2024
Sen. Tillis, Thomas [R-NC]	R · NC		Sep 18, 2024

Committee Activity

Committee	Chamber	Activity	Date
Finance Committee	Senate	Referred To	Sep 18, 2024

Subjects & Policy Tags

Policy Area:

Taxation

Related Bills

Bill	Relationship	Last Action
118 HR 9738	Related bill	Sep 20, 2024: Referred to the House Committee on Ways and Means.
118 HR 7024	Related bill	Aug 1, 2024: Motion by Senator Schumer to reconsider the vote by which cloture on the motion to proceed to the measure was not invoked (Record Vote No. 230) made in Senate.

ERTC Repeal Act of 2024

This bill increases the penalty for aiding and abetting the understatement of tax liability with respect to the employee retention tax credit (ERTC) by a COVID-ERTC promoter, extends the time period for assessing and collecting tax attributable to the understatement, and disallows the ERTC after January 31, 2024.

Under the bill, a COVID-ERTC promoter may be liable for the greater of \$200,000 (\$10,000 for a natural person), or 75% of the amount derived from the aid, advice, or assistance related to a COVID-ERTC document that understates a taxpayer's tax liability. Under current law, the penalty for knowingly aiding and abetting in the understatement of tax liability is \$1,000 for an individual return or \$10,000 for a corporate return.

The bill defines a *COVID-ERTC promoter* as any individual, trust, estate, partnership, association, company, or corporation that provides aid, assistance, or advice related to a COVID-ERTC document for a contingency fee and with gross receipts derived from providing aid, assistance, or advice related to a COVID-ERTC document exceeding a specified threshold.

A *COVID-ERTC document* is any return, affidavit, claim, or other document associated with a ERTC claim related to COVID.

The bill extends the time period for assessing and collecting any tax liability associated with an understatement of tax liability related to the ERTC from five to six years.

Finally, under this bill, claims for the ERTC related to COVID must be filed on or before January 31, 2024.

Actions Timeline

- **Sep 18, 2024:** Introduced in Senate
- **Sep 18, 2024:** Read twice and referred to the Committee on Finance.