



DEPARTMENT OF THE TREASURY
WASHINGTON, D.C. 20220

May 7, 2020

The Honorable Charles E. Grassley
Chairman
Committee on Finance
United States Senate
Washington, DC 20510

Dear Chairman Grassley:

I write in reply to your May 4, 2020 letter regarding recent guidance issued by the Department of the Treasury and the Internal Revenue Service on how employers should determine the amount of allocable qualified health plan expenses under the employee retention credit offered pursuant to section 2301 of the Coronavirus Aid, Relief, and Economic Security Act. The Department has taken your views under consideration and will be revising the applicable guidance.

If you have further questions, please direct your staff to contact the Office of Legislative Affairs.

Sincerely,

Frederick W. Vaughan
Principal Deputy Assistant Secretary
Office of Legislative Affairs

Identical letter sent to:

The Honorable Richard E. Neal
The Honorable Ron Wyden