



TaxNewsFlash

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Announcement 2024-30: Second voluntary disclosure program for employee retention credit

The IRS today announced a second voluntary disclosure program for taxpayers to resolve refunds or credits for erroneous employee retention credit (ERC) claims.

[Announcement 2024-30](#) explains taxpayer eligibility criteria, terms, and procedures for taxpayers electing to participate in the second voluntary disclosure program.

According to a related IRS release—[IR-2024-213](#):

- Interested employers must apply to the second ERC voluntary disclosure program by November 22, 2024.
- Applicants accepted into the program will need to repay only 85% of the credits they received.
- The program is open for tax periods in 2021. Employers can't use the second VDP to disclose and repay ERC money from tax periods in 2020.
- The IRS will not charge program participants interest or penalties on any credits they timely repay.
- If an employer can't repay the required 85% of the credit at the time they sign their closing agreement, they'll be required to pay penalties and interest in connection with an alternative payment arrangement such as an installment agreement.

A second IRS release—[IR-2024-212](#)—explains that the IRS plans to mail up to 30,000 new letters to reverse or recapture potentially more than \$1 billion in improper ERC claims.

Background

The IRS in December 2023 announced the initial ERC voluntary disclosure program. Read [TaxNewsFlash](#)

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