No. 2025-305
October 22, 2025

IRS issues FAQs on limitation enacted under OBBBA on credits and refunds for employee retention credits

The IRS today issued frequently asked questions (FAQs) in **Fact Sheet 2025-7** about the limitation enacted under Pub. L. No. 119-21 (the “One Big Beautiful Bill Act” (OBBBA)) on credits and refunds for employee retention credits (ERCs) claimed for the third and fourth quarters of 2021 filed after January 31, 2024.

As explained in the related IRS release—**IR-2025-106** (October 22, 2025)—the FAQs discuss the limitation generally, when a claim is considered to be timely filed, and what appeals rights are available if an ERC claimed on a return is disallowed.

kpmg.com/socialmedia