

July 31, 2020

The Honorable Charles Grassley  
Chair, Committee on Finance  
United States Senate  
135 Hart Senate Office Building  
Washington, DC 20510

The Honorable Ron Wyden  
Ranking Member, Committee on Finance  
United States Senate  
221 Dirksen Senate Office Building  
Washington, DC 20510

Dear Chairman Grassley and Ranking Member Wyden:

On behalf of our 163,000 dentist members, we would like to highlight several provisions in S. 4318, the American Workers, Families, and Employers Assistance Act, which would be beneficial to our small business dental practices and their patients. The tax provisions in this bill are critical for small business dental practices that are working to continue serving their patients and employ their staff.

After closing completely or limiting their practices to emergency-only dental care at the onset of the COVID-19 pandemic, dentists across the country have reopened their practices. In order to safeguard patients, their staff, and themselves from the spread of COVID-19, dentists have implemented new infection control procedures and are utilizing enhanced personal protective equipment (PPE).

As you are keenly aware, the cost of these health and safety efforts are having a considerable economic impact on businesses. This bill's establishment of a refundable payroll tax credit equal to 50 percent of an employer's qualified employee protection expenses, to include PPE, qualified workplace reconfiguration expenses, and qualified workplace technology expenses provides much-needed tax relief for dental practices.

Additionally, the legislation contains other provisions for small business dental practices that would help them maintain financial viability and continue providing care during this public health crisis. These include enhancing the employee retention tax credit (ERTC) by increasing the refundable payroll tax credit from 50 to 65 percent of certain wages paid by employers, and lowering the amount of the reduction in gross receipts required to qualify as an eligible employer from a 50 percent decline to a 25 percent decline compared to the same calendar quarter in the previous year. Furthermore, dental practices will benefit from the coordination between the ERTC and Paycheck Protection Program (PPP) that will allow employers to be eligible for both programs.

In addition to the provisions included in the bill, as negotiations continue we would also encourage consideration of a few other tax policies. First, expenses that were paid for with PPP funds should be tax deductible, as was Congress' intent in the CARES Act. Second, in order for the Provider Relief Fund to be as beneficial to our dentist members as possible, Congress should ensure that funds received through program are not included as taxable income.

The Honorable Charles Grassley  
The Honorable Ron Wyden  
July 31, 2020  
Page 2

Again, the ADA supports many provisions in the American Workers, Families, and Employer Assistance Act. We continue to support bipartisan negotiations that will strive to address these issues in legislation moving forward.

If you have any questions, please contact Ms. Megan Mortimer at [mortimerm@ada.org](mailto:mortimerm@ada.org). Additional information is available at [ADA.org/covid19advocacy](https://ada.org/covid19advocacy).

Sincerely,

/s/

Chad P. Gehani, D.D.S.  
President

/s/

Kathleen T. O'Loughlin, D.M.D., M.P.H.  
Executive Director

CPG:KTO:rhm