

Work Opportunity Tax Credit

What is the Work Opportunity Tax Credit?

A Federal Income Tax Credit that provides incentives to private sector employers to encourage hiring individuals from nine (9) different target groups of job seekers who traditionally have difficulty finding employment.

How can employers participate?

Employ eligible job seekers from the following target groups:

- Qualified Recipients of Temporary Assistance for Needy Families (TANF)
- Qualified Veterans
- Qualified Ex-Felons
- Qualified Designated Community Residents
- Qualified Vocational Rehabilitation Referrals
- Qualified Summer Youth Employees
- Qualified Food Stamp Recipients
- Qualified Supplemental Security Income (SSI) Recipients
- Qualified Long-Term/Family Assistance Recipients
- Qualified Disconnected Youth



Work Opportunity Tax Credit
*Reduce your federal
income tax liability*

WORK FORCE
West Virginia
USA

An equal opportunity employer/program and auxiliary aids and services are available upon request to individuals with disabilities.

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WF-WOTC-5
R. 04-2009



INCENTIVES



WORK OPPORTUNITY TAX CREDIT

What are the benefits for employers?

Employers can:

- Receive tax credits for hiring and retaining workers from the eligible target groups.
- Reduce federal tax liability by as much as **\$2,400** per new hire for the first year of the employee's employment.
- Reduce recruitment and training costs by retaining workers from target groups.
- Claim the tax credits with minimal paperwork.
- Provide valuable on-the-job work experience to qualified job seekers.
- Help those most in need to become economically self-sufficient.

How does the employer apply for tax credits?

- Complete two (2) forms:
 - **Internal Revenue Service (IRS) 8850** — Pre-screening Notice and Certification Request
 - **Employment and Training Administration (ETA) 9061** — Individual Characteristics Form
- Provide required documentation and original signatures.
- Meet the filing deadline (must be sent in within 28 days of hire date).

Where can the employer get the required forms?

Both the IRS 8850 and the Department of Labor, ETA9061 may be downloaded from the WOTC homepage: www.doleta.gov/business/incentives/opptax or by calling the WOTC office at (304) 558-5050.

Where can the employer get additional information?

- For more details regarding the laws and regulations governing the Work Opportunity Tax Credit, visit the U.S. Department of Labor Web site: www.uses.doleta.gov
- To obtain a WOTC handbook and to determine the appropriate documentation required for each designated target group, visit the WOTC homepage: www.doleta.gov/business/incentives/opptax
- To ask questions, contact the WOTC staff by calling (304) 558-5050.

