

## What's in it for Employers?

- You make the hiring decision
- Hire Qualified Individuals
- Up to \$12,000 in potential tax credits per new hire
- Reduce your recruitment and training costs
- No restrictions on number of qualified hires
- Credits are applied to taxes due
- Unused tax credits may be carried forward 20 years
- Minimal paperwork to claim the tax credit

Using tax credits is a good investment in your business and community. "A smart solution for business."

## How do I get more information and the forms I need?

For more information and to print forms, visit the WOTC website:  
<http://dwd.wisconsin.gov/dws/bjs/taxcredit>

For answers to questions, contact the WOTC specialist closest to your location. Visit this web site:  
<http://dwd.wisconsin.gov/dws/bjs/taxcredit> and look under Contacts for "Local WOTC Staff Contact Lists".

For more inclusive details on laws and regulations governing the WOTC Program visit the U.S. Dept. of Labor website at:  
<http://www.doleta.gov/programs/wotcdata.cfm>

**For WOTC IRS tax law questions, call 1-202-622-6080.**



☎ 888/258-9966 (toll free)

🌐 [www.wisconsinjobcenter.org](http://www.wisconsinjobcenter.org)

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**Your company could be eligible for up to \$9,000 in tax credits.**



**Work Opportunity Tax Credit (WOTC)**

## What is the WOTC tax credit?

The Federal Work Opportunity Tax Credit (WOTC) program is designed to encourage employers in the private sector to hire qualified job seekers who face barriers to gainful employment.

### WOTC Target Groups

An employer is only eligible for qualified wages paid to members of a target group. Those target groups are:

- Families Receiving TANF
- Veterans
- Disabled Veterans
- Ex-felons
- Designated Community Residents living in an Enterprise Community (EC)\* or Renewal Community (RC)\*
- Vocational Rehabilitation Referral
- Summer Youth living in an Enterprise Community (EC)\* or Renewal Community (RC)\*
- Food Stamp Recipients
- Supplemental Security Income (SSI) Recipients
- Long-Term Family Assistance (LTFA)

\*For information about EC/RC's, visit their website: <http://egis.hud.gov>, or call 1-800-998-9999.

## How much will I save?

The tax credit for WOTC new hires except Long-Term Family Assistance is:

- 25% for those employed at least 120 hrs (maximum credit \$1,500);
- 40% for those employed at least 400 hours (maximum credit \$2,400);
- Qualified wages are capped at \$6,000. Exceptions:
  - Summer Youth which is capped at \$3,000 (maximum credit \$1,200);
  - Disabled Veterans, which is capped at \$12,000.
- No credit allowed for second-year wages.

For Long-Term Family Assistance, tax credits can be earned for the first two years of employment. Wages are capped at \$10,000 per year:

- 25% for those employed at least 120 hours (\$2,500 maximum credit);
- 40% for those employed at least 400 hours the first year (\$4,000 maximum credit);
- 50% for those employed at least 400 hours the second year (\$5,000 maximum credit);
- Maximum credit \$9,000;
- No credit allowed for employees who work less than 120 hours.

## How do I get Certified?

This is an employer-friendly tax credit program involving three simple steps to complete:

1. Employer and employee must complete **Form 8850**, "Pre-screening Notice";  
**and**,
2. Complete one of the following 1-page U.S. Dept. of Labor forms, as appropriate:  
**Form 9061**, "Individual Characteristics Form," and attach supporting documentation, when the new hire has not been given a conditional certification (see below);  
**or**,  
**Form 9062**, "Conditional Certification Form," if completed and provided to the job seeker by a participating agency, such as Job Center staff (no documentation required);  
**and**,
3. Mail the original completed forms, with any required documentation to:

Wis. Dept. of Workforce Development  
Tax Credit Unit, Rm. E100  
201 E. Washington Ave., PO Box 7972  
Madison WI 53707

Forms must be mailed within **28 days** from the new hire's employment start date.

It's that easy,  
It's that simple.