



WHY IS WOTC A GREAT OPPORTUNITY FOR EMPLOYERS OF VETERANS?

Veterans are . . .

- A highly skilled workforce
- Tech savvy
- Leaders
- Motivated

Employers . . .

- Veterans help meet your workforce needs
- There is no limit to the number of new hires
- There is minimal paperwork needed to claim the tax credit

WOTC: AN EMPLOYER BENEFIT FOR HIRING VETERANS MOST IN NEED OF EMPLOYMENT

For Agency Use:

(SWAs can either print or stamp their names, addresses and WOTC contact information in this space.)

The Work Opportunity Tax Credit \$OLUTION

Puts Tax Savings in the Palm of Your Hands



U.S. Department of Labor
Employment and Training Administration
April 2012

For more information on where to apply or get the application forms, visit our Web site at:

<http://www.doleta.gov/business/Incentives/opptax>

or IRS's Web site at:

<http://www.irs.gov>

THE BOTTOM LINE

NEW! On November 21, 2011, the President enacted the *VOW to Hire Heroes Act of 2011* modifying and expanding the WOTC Veteran groups. The Act did not extend the non-veteran groups. These groups expired on December 31, 2011. Now employers hiring qualified veterans may be eligible to reduce their federal income tax liability by as much as:

Target Groups and Wages	% Credit & Employment Period	Maximum Tax Credit
Vet Receiving SNAP ¹	40% if 400 hrs.	\$2,400
Disabled Vet (hired w/in 1 year) ²	40% if 400 hrs.	\$4,800
Disabled Vet (unemployed 6 months) ³	40% if 400 hrs.	\$9,600
Unemployed Vet (4 weeks) ⁴	40% if 400 hrs.	\$2,400
Unemployed Vet (6 mos.) ⁵	40% if 400 hrs.	\$5,600

1. Qualified 1st- year wages *for Veterans receiving SNAP* are capped at \$6,000.
2. Qualified 1st- year wages for *disabled veterans* hired within 1 year of discharge are capped at \$12,000.
3. Qualified 1st- year wages for *disabled veterans unemployed 6 months* are capped at \$24,000.
4. Qualified 1st- year wages *for veterans unemployed for 4 weeks* (but less than 6 mos.) are capped at \$6,000.
5. Qualified 1st- year wages *for veterans unemployed for at least 6 months* are capped at \$14,000.

HIRE FROM AMONG THESE VETERAN GROUPS...

The WOTC applies only to qualified veterans who begin to work on or after November 22, 2011, and before December 31, 2012. The new employee must belong to one of the following categories of qualified veterans:

- *Veterans receiving Supplemental Nutrition Assistance Program (SNAP)* benefits for at least a 3-month period during the 12-month period ending on the date of hire; **or**
- *Veterans entitled to compensation for a service-connected disability* hired within 1 year of discharge or release from active duty; **or**
- *Veterans entitled to compensation for a service-connected disability* unemployed for at least 6 months during the 1-year period ending on the hiring date; **or**
- *Veterans unemployed for at least 4 weeks (but less than 6 months)* during the 1-year period ending on the hiring date; **or**
- *Veterans unemployed for at least 6 months* during the 1-year period ending on the hiring date.

☞ For credit amounts for "tax-exempt" organizations visit: www.irs.gov.

3 SIMPLE STEPS TO APPLY:

Employers apply for and receive certification from their State Workforce Agency (SWA) that the new hire is a member of a qualified veteran group before they can claim WOTC. To apply:

1. Complete page 1 of IRS Form 8850, *Pre-Screening Notice and Certification Request for the Work Opportunity Credit*, by the date of the job offer;

AND

2. Complete *one* of the following U.S. Department of Labor forms:
 - ETA Form 9061, *Individual Characteristics Form*, if the new hire has not been given an ETA Form 9062; **or**
 - ETA Form 9062, *Conditional Certification Form*, if provided to the job seeker by a Veteran Center, a SWA or other Participating Agency.
3. Submit/Mail the signed and dated IRS and ETA forms to the respective SWA.
 - For hires made on or after November 22, 2011 and before May 22, 2012, employers have until June 19, 2012 to submit the forms.
 - For hires made on or after May 22, 2012, employers must submit the forms not later than 28 days after the new hire begins work.