



VOCATIONAL REHABILITATION AND EMPLOYMENT SERVICES

WORK OPPORTUNITY TAX CREDITS (WOTC)

HIRE VETERANS AND EARN TAX CREDITS FOR YOUR BUSINESS

The Work Opportunity Tax Credit (WOTC) is a Federal tax credit available to private-sector businesses and certain non-profit organizations for hiring individuals from nine target groups, including Veterans, who have consistently faced significant barriers to employment. The WOTC program enables the targeted employees to gradually move from economic dependency into self-sufficiency as they earn a steady income, while participating employers are able to reduce their Federal income tax liability.

Through WOTC, employers can receive between \$2,400 and \$9,600 in tax credits by hiring:

- A Veteran who is a member of a family that received SNAP benefits (food stamps) for at least a 3-month period during the 15-month period ending on the hiring.
- A Veteran who has been unemployed for:
 - At least 4 weeks in the year ending on the hiring date
- A disabled Veteran entitled to compensation for a service-connected disability, who has been:
 - Hired within 1 year of discharge or release from active duty, OR
 - Unemployed for at least 6 months in the year ending on the hiring date;
- Veterans who are qualified long-term unemployment recipients for a period of 27 consecutive weeks or more and were receiving unemployment compensation under state or Federal Law. (Hired on or after January 1, 2016, through December 31, 2019).

The PATH Act retroactively reauthorized the WOTC program for a 5 year period, December 31, 2014 through December 31, 2019. To apply for the certification, employers must:

1. Complete [IRS Form 8850](#) by the day the job offer is made.



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2. Complete [ETA Form 9061](#) or [ETA Form 9062](#) if the employee has been conditionally certified as belonging to a WOTC target group by a state workforce agency, Vocational Rehabilitation agency, or another participating agency.
 3. [ETA Form 9175](#): For new WOTC target group, Long-Term Unemployment Recipients, complete Long-Term Unemployment Recipient Self-Attestation Form when there is an absence of UI wage records (see [TEGL 25-15](#)).
 4. Submit the completed and signed IRS and ETA forms to your [state workforce agency](#). Forms must be submitted **within 28 calendar days** of the employee's start date.

To access these forms and find more information on the WOTC program, how to claim the tax credit, and a list of state contacts, visit the Department of Labor's WOTC program website at <https://www.doleta.gov/business/incentives/opptax/> and the IRS website at www.irs.gov/form8850.

