

# Work Opportunity Tax Credit (WOTC)

If you are a “for profit” employer in Massachusetts, you may be eligible for a federal tax credit through the Work Opportunity Tax Credit program.



Individuals must be identified as members of one of these targeted groups before a job offer is made.

## The Work Opportunity Tax Credit (WOTC) program has two purposes:

- To help individuals who qualify as members of a target group get a job, and
- To help employers who hire qualified individuals by giving them a credit on their federal taxes.

## Target groups:

- Temporary Assistance for Needy Families (TANF) recipient
- SNAP recipient
- Designated Community resident: An 18 to 39-year-old who lives within one of the federally-designated Rural Renewal Counties or Empowerment Zones. For additional information, please visit: [dol.gov/agencies/eta/wotc/](http://dol.gov/agencies/eta/wotc/)
- Vocational Rehabilitation referral/Ticket-to-Work holder
- A recently-released, returning citizen (ex-felon)
- Supplemental Security Income (SSI) recipient
- A 16- or 17-year-old Summer Youth Employee living in an Empowerment Zone (see DOL’s website for additional information)
- Long-Term Unemployment recipient
- A **Veteran\*** who is:
  - A member of a family that received SNAP benefits (Supplemental Nutrition Assistance Program) for a least a 3-month period during the 15-month period ending on the hire date.
  - Entitled to compensation for a service-connected disability
    - ✓ Hired within 1 year of discharge or release from active-duty or
    - ✓ Unemployed at least 6 months in the year ending on the hire date
  - Unemployed:
    - ✓ At least 4 weeks
    - ✓ At least 6 months



\*Please note that to be considered a Veteran-eligible for WOTC, an individual must meet these two standards:

- Have served on active duty (not including training) in the United States Armed Forces for more than 180 days or have been discharged or released from active duty for a service-connected disability
- Not have a period of active duty (not including training) of more than 90 days that ended during the 60-day period ending on the hiring date

## Amount of the Credit:

Target Group	Maximum Tax Credit	Target Group	Maximum Tax Credit
<b>Veteran Target Group</b>		Short-Term TANF Recipient	\$2,400
Receives SNAP benefits	\$2,400	Long-Term TANF Recipient	\$9,000 (over 2 years)
<b>Entitled to compensation for service-connected disability</b>		Supplemental Nutritional Assistance Program (SNAP)	\$2,400
Hired one year from leaving service	\$4,800	Designated Community Resident	\$2,400
Unemployed at least 6 months	\$9,600	Vocational Rehabilitation Referral	\$2,400
<b>Unemployed</b>		Ex-Felon	\$2,400
At least 4 weeks	\$2,400	Supplemental Security Income (SSI)	\$2,400
At least 6 months	\$5,600	Long Term Unemployed Recipient	\$2,400

## Application Process:

The first step is a pre-screening to determine eligibility. **The jobseeker and the employer must complete the following forms:**

- **Individual Characteristics Form Work Opportunity Tax Credit ETA 9061 or ETA 9062**
- **Pre-Screening Notice and Certification Request for Work Opportunity Credit, IRS Form 8850**
- The employer and the jobseeker must sign the **Form 8850**. The employer then emails the forms to [wotc@detma.org](mailto:wotc@detma.org) or enters them online at <https://wotc.dcs.eol.mass.gov/WOTC/Logon.aspx> no later than the 28th calendar day from the start date of employment.

**For more information, call: (617) 626-5353**