

WORK OPPORTUNITY TAX CREDIT ELIGIBLE FOR NEW HIRES CRITERIA

1. Veteran Target Groups:

A new hire qualifies for a veteran's target group, if the individual is:

- A veteran who is a member of a family that received SNAP benefits (food stamps) for at least 3-month period during the 15-month period prior to hire date; (Maximum Tax Credit \$2,400) OR
- A disabled veteran entitled to compensation for service-connected disability, who has been:
- Hired within 1 year of discharge or release from active duty, (Maximum Tax Credit \$4,800) OR
- Unemployed for at least 6 months during year prior to hire date; (Maximum Tax Credit \$9,600) OR
- A veteran who has been unemployed for:
- At least 4 weeks during year prior to hire date; (Maximum Tax Credit \$2,400) OR
- At least 6 months during year prior to hire date. (Maximum Tax Credit \$5,600)

Please note that to be considered veteran eligible for WOTC; an individual must meet these two standards:

- Have served on active duty (not including training) in the U.S. 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.

2. Long-term Temporary Assistance for Needy Families (TANF) Recipient: (Maximum Tax Credit \$9,000)

A new hire must be a member of a family that meets one of the following circumstances:

- Has received TANF benefits for at least 18 consecutive months ending on the hiring date; OR
- Has received TANF benefits for at least 18 consecutive or non-consecutive months after August 5, 1997, as long as the last month (18th month) of cash assistance is not more than 2 years from hire date.
- Stopped being eligible for TANF payments during the past 2 years because a Federal or State law limited the maximum time those payments could be made.

3. Short-term TANF Recipient: (Maximum Tax Credit \$2,400)

A member of a family that received TANF benefits for any 9-month period during the 18-month period ending on the hiring date.

4. SNAP (food stamp) Recipient: (Maximum Tax Credit \$2,400)

A new hire qualifies for this target group, if the individual is:

- Age 18 to 39 years old, **AND**
- A member of a family that received Supplemental Nutrition Assistance Program (SNAP) benefits for:
- The 6 months ending on the hiring date, OR
- At least 3 of the 5 months ending on the hiring date.

5. Designated Community Resident: (Maximum Tax Credit \$2,400)

A new hire meets the criteria for this target group, if the individual:

- Is age 18-39 years old, **AND**
- Resides within one of the federally designated:
- Rural Renewal Counties (RRCs), OR
- Empowerment Zones (Ezs) (**Not a Kansas target group**)

6. Vocational Rehabilitation Referral: (Maximum Tax Credit \$2,400)

An individual with a disability who completed, or is completing, rehabilitative services provided by:

- A state-certified agency, OR
- An Employment Network under the Ticket to Work program, OR
- The U.S. Department of Veteran Affairs.

7. Ex-felon: (Maximum Tax Credit \$2,400)

A new hire meets the criteria for this target group, if the individual:

- Has been convicted of a felony; **AND**
- Has a hiring date that is not more than 1 year after the conviction or release dates from prison, OR
- Those participating in a Work Release Program are considered eligible for WOTC.

8. Supplemental Security Income (SSI) recipient: (Maximum Tax Credit \$2,400)

A recipient of SSI benefits for any month ending during the past 60-day period ending on the hire date.

9. Summer Youth Employee (Not a Kansas target group): (Maximum Tax Credit \$1,200)

A 16 year-old or 17 year-old youth who works for the employer between May 1 and September 15 and lives in an Empowerment Zone.

10. Qualified Long-term Unemployment Recipient: (Effective Date 1/1/16) (Maximum Tax Credit \$2,400)

A qualified long-term unemployment recipient is any individual who on the day before the individual begins work is in a period of unemployment that is:

- not less than 27 consecutive weeks **AND**
- includes a period in which the individual received unemployment compensation under State or Federal Law within the 27 weeks prior to the hire date.

HOW TO APPLY FOR WOTC

FOR KANSAS EMPLOYERS:

1. **IRS 8850, Page 1**
The applicant must complete, sign and date Page 1 of the IRS 8850 on or before the day the job is offered.
2. **IRS 8850, Page 2**
When the decision to hire is made, complete Page 2 (employer section) of the IRS 8850. If you later decide not to hire, the IRS 8850 should be kept with the company application as long as the application is kept.
3. **ICF Form ETA 9061**
The applicant completes and signs the ICF Form ETA 9061 on or before the first day of work (usually at orientation).
4. **Within 28-calendar days of the start date:**
 - a) Submit electronically through Kansas WOTC LiveFile at KansasWOTC.com, **OR**
 - b) Copy both the IRS 8850 and ETA 9061 for your file. Mail to the following address:

DEPARTMENT OF COMMERCE
ATTN: WOTC UNIT
1000 SW JACKSON STREET, SUITE 100
TOPEKA, KS 66612-1354

Checklist for properly completed/filed IRS 8850:

Contains original signatures (employee Page 1 and employer Page 2);
Box checked on Page 1 or number four (4) written on Page 2 beside the statement *"If, based on individual's age and home address,..."*;
Within 28 calendar days of the start date, submit electronically through KansasWOTC.com or mail (sending by certified mail will guarantee proof of mailing). Note: Refer to "IRS Notice 2012-13 E-signature" for alternative methods of using electronic signatures in addition to electronic submission of the IRS 8850 form.

FOR MISSOURI EMPLOYERS:

Submit WOTC application online:

<https://jobs.mo.gov/employer/incentives/work-opportunity-tax-credit>

