



# Work Opportunity Tax Credit (WOTC)

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**Presented by Priscilla Skinner**

**WOTC State Coordinator**

**May 30, 2024**



**VIRGINIA  
WORKS**

DEPARTMENT  
OF WORKFORCE  
DEVELOPMENT  
AND ADVANCEMENT

# WOTC

Federal tax credit available to for-profit employers that invest in the hiring of American job seekers who have consistently faced barriers to employment.

Non-profit employers can participate. Non-profit employer participation is limited to the veteran target group and the tax credit is applied to a portion of their share of social security liability.

WOTC has been authorized by the federal government through December 31, 2025.



# Eligible WOTC Target Groups

	<u>Maximum Tax Credit</u>	<u>Supporting Docs Required?</u>
Supplemental Nutritional Assistance (SNAP) Recipient	\$2,400	No
Temporary Assistance for Needy Families (TANF) Recipient	\$2,400	No
Long Term Assistance for Needy Families (LTFAR)	*\$9,000	No
Ex-Felon ( Including Work Release Program participants)	\$2,400	Yes
Veterans (including service-connected disabled)	\$2,400 - \$9,600	Yes
Social Security Income (SSI) Recipients	\$2,400	No
Vocational Rehabilitation Referral	\$2,400	Yes
Designated Community Resident (includes Empowerment Zones)	\$2,400	No
<b>DCR includes Buchanan, Dickenson, Highland and Lee as well as the cities of Clifton Forge, Covington, Norton and Staunton.</b>		
<b>Virginia EZ includes specific areas within Portsmouth and Norfolk.</b>		
Ticket-to-Work Holder	\$2,400	No
Long Term Unemployment Recipient	\$2,400	No
Summer Youth Employee	\$1,200	No

**\*Tax Credit is taken over 2 years**

# Who Is Eligible?

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- ✓ Job Seekers that have never worked for the employer

## **Some Job Seekers Will Not Qualify if:**

- The Job Seeker is a former employee, regardless of how long it's been since working for the employer.
- Relatives and dependents of the employer to include:
  - Sons, Daughters, Stepchildren, Spouses, Fathers, Mothers, Brothers, Sisters, Step-Brothers or Sisters, Nieces, Nephews, Aunts, Uncles, Cousins or In-Laws
  - Majority Owners of the Business

# How to Apply?

## Form 8850

**8850** Pre-Screening Notice and Certification Request for the Work Opportunity Credit  
OMB No. 1545-0045  
Department of the Treasury Internal Revenue Service

Job applicant: Fill in the lines below and check any boxes that apply. Complete only this side.

Your name \_\_\_\_\_ Social security number \_\_\_\_\_  
Street address where you live \_\_\_\_\_  
City or town, state, and ZIP code \_\_\_\_\_  
County \_\_\_\_\_ Telephone number \_\_\_\_\_  
If you are under age 40, enter your date of birth (month, day, year) \_\_\_\_\_

1  Check here if you received a conditional certification from the state workforce agency (SWA) or a participating local agency for the work opportunity credit.

2  Check here if any of the following statements apply to you:  
• I am a member of a family that has received assistance from Temporary Assistance for Needy Families (TANF) for at least 90 days during the past 18 months.  
• I am a veteran and a member of a family that received Supplemental Nutrition Assistance Program (SNAP) benefits (if stamps for at least a 3-month period during the past 18 months).  
• I was referred here by a rehabilitation agency approved by the state, an employment network under the Ticket to Work program, or the Department of Veterans Affairs.  
• I am at least age 18 but not age 40 or older and am a member of a family that:  
a. Received SNAP benefits (food stamps) for the past 6 months; or  
b. Received SNAP benefits (food stamps) for at least 1 of the past 6 months, but is no longer eligible to receive them.  
• During the past year, I was convicted of a felony or released from prison for a felony.  
• I received supplemental security income (SSI) benefits for any month ending during the past 60 days.  
• I am a veteran and I was unemployed for a period or periods totaling at least 4 weeks but less than 6 months during the past year.

3  Check here if you are a veteran and you were unemployed for a period or periods totaling at least 6 months during the 1 year.

4  Check here if you are a veteran entitled to compensation for a service-connected disability and you were discharged released from active duty in the U.S. Armed Forces during the past year.

5  Check here if you are a veteran entitled to compensation for a service-connected disability and you were unemployed 1 period or periods totaling at least 6 months during the past year.

6  Check here if you are a member of a family that:  
• Received TANF payments for at least the past 18 months; or  
• Received TANF payments for any 18 months beginning after August 5, 1997, and the earliest 18-month period began after August 5, 1997, ended during the past 2 years; or  
• Stopped being eligible for TANF payments during the past 2 years because federal or state law limited the maximum 18-month payments could be made.

7  Check here if you are in a period of unemployment that is at least 27 consecutive weeks and for all or part of that period you received unemployment compensation.

Signature—All Applicants Must Sign  
Under penalties of perjury, I declare that I gave the above information to the employer or on behalf of the employer as best of my knowledge, information, and belief.

Job applicant's signature \_\_\_\_\_ Date \_\_\_\_\_  
For Privacy Act and Paperwork Reduction Act Notice, see page 2. (OMB No. 1545-0045) Form 8850 (Rev. 3/2016)

Form 8850 (Rev. 3/2016) For Employer's Use Only page 2

Employer's name \_\_\_\_\_ Telephone no. \_\_\_\_\_ EIN \_\_\_\_\_  
Street address \_\_\_\_\_  
City or town, state, and ZIP code \_\_\_\_\_  
Person to contact, if different from above \_\_\_\_\_ Telephone no. \_\_\_\_\_  
Street address \_\_\_\_\_  
City or town, state, and ZIP code \_\_\_\_\_

If, based on the individual's age and home address, he or she is a member of group 4 or 6 (as described under Members of Targeted Groups in the separate instructions), write that group number (4 or 6) \_\_\_\_\_

Date applicant: Gave information \_\_\_\_\_ Was offered job \_\_\_\_\_ Was hired \_\_\_\_\_ Started job \_\_\_\_\_

Under penalties of perjury, I declare that I gave the above information to the employer or on behalf of the employer as best of my knowledge, information, and belief. I am a member of a family that is a member of a targeted group. I hereby request a certification that the individual is a member of a targeted group.

Employer's signature \_\_\_\_\_ Title \_\_\_\_\_ Date \_\_\_\_\_

**Privacy Act and Paperwork Reduction Act Notice**  
Section references are to the Internal Revenue Code.  
Section 5101(b)(1) permits a prospective employer to request the applicant to complete this form and give it to the prospective employer. This information will be used by the employer to complete the employer's federal tax return. Completion of this form is voluntary and may assist members of targeted groups in securing employment. Routine use of this form includes giving it to the state workforce agency (SWA), which will contact appropriate sources to confirm that the applicant is a member of a targeted group. This form may also be given to the Internal Revenue Service for administration of the Internal Revenue laws, to the Department of Justice for civil and criminal litigation, to the Department of Labor for oversight of the certifications performed by the SWA, and to cities, states, and the District of Columbia for use in administering their law enforcement agencies to enforce federal, state, and local laws, to federal law enforcement and intelligence agencies to combat terrorism.  
You are not required to provide the information requested on a form that is subject to the Paperwork Reduction Act unless the form displays a valid OMB control number. Do not send this information to a form or to the instructions unless you are sure that the information is necessary for the collection of information. Do not send this information to the Internal Revenue Service, the Department of Justice, or the Department of Labor.  
The time needed to complete and file this form will vary depending on individual circumstances. The estimated average time is:  
Recordingkeeping \_\_\_\_\_ 6 hr., 27 min.  
Preparing and sending this form to the SWA \_\_\_\_\_ 24 min.  
If you have comments concerning the accuracy of these time estimates or suggestions for making this form simpler, we would be happy to hear from you. You can send us comments from several governments. Click on "More information" and then on "Give us feedback." Or you can send your comments to:  
Internal Revenue Service  
Tax Forms and Publications  
1111 Constitution Ave. NE, RM. 4020  
Washington, DC 20224  
Do not send this form to this address. Instead, see Folders and Where To File in the separate instructions.

## Form 9061

U.S. Department of Labor Employment and Training Administration OMB Control No. 1205-0271 Expiration Date: May 31, 2025

Work Opportunity Tax Credit Individual Characteristics Form (ICF)

1. Control No. (For Agency use only) \_\_\_\_\_ 2. Date Received (For Agency Use only) \_\_\_\_\_

3. Employer Name \_\_\_\_\_ 4. Employer Mailing Address, Telephone No. and Email Address \_\_\_\_\_ 5. Employer Identification Number (EIN) \_\_\_\_\_

6. Applicant Name (Last, First, MI) \_\_\_\_\_ 7. Social Security Number \_\_\_\_\_ 8. Have you worked for this employer before? YES  NO

9. Employment Start Date \_\_\_\_\_ 10. Starting Wage \_\_\_\_\_ 11. Job Position (Title) or SOC (Standard Occupation Classification) \_\_\_\_\_

**Directions:** Read the following statements carefully and check any of the following statements that apply to the job applicant. Provide additional information where requested and as needed for targeted group eligibility determination.

12. Qualified IV-A Recipient  
Check here if the job applicant is a Qualified IV-A Recipient

If the job applicant is a member of a family receiving Temporary Assistance for Needy Families (TANF), enter the name of the primary benefits recipient: \_\_\_\_\_ and the city and state(s) where benefits were received: \_\_\_\_\_

13. Qualified Veteran  
Check here if the job applicant is a veteran of the U.S. Armed Forces

If the job applicant (veteran) is a member of a family receiving Supplemental Nutrition Assistance Program (SNAP) benefits, enter the name of the primary benefits recipient: \_\_\_\_\_ and the city and state(s) where benefits were received: \_\_\_\_\_  
Note: Additional information may be requested to determine the job applicant's qualified veteran eligibility, such as proof of being entitled to compensation for a service-connected disability or having aggregate periods of unemployment.

14. Qualified Ex-Felon  
Check here if the job applicant is an Ex-Felon

Enter date of felony conviction (mm/dd/yyyy) \_\_\_\_\_ and release date: \_\_\_\_\_  
Federal conviction  State conviction  List applicable state: \_\_\_\_\_

1 I certify that this information is true and correct to the best of my knowledge. I understand that the information above may be subject to verification.

23(a) Signature (See instructions in this 23(b) for who signs the signature book) \_\_\_\_\_  
23(b) (Include who signed the form.)  
 Employer  Employer's Representative  
 SWA / Participating Agency  
 Job Applicant  
 Representative (if job applicant is a minor)

24. Signature Date: \_\_\_\_\_

ETA Form 9061 (Rev. May 2025)

Check here if the job applicant is in a Work Release Program:

15. Designated Community Resident (DCR)  
Check if the job applicant is at least age 18 but not age 40 on the hiring date, and resides in a Rural Renewal County (RRC)  or an Empowerment Zone (EZ)   
Enter job applicant's birthday (mm/dd/yyyy): \_\_\_\_\_

16. Vocational Rehabilitation Referral  
Check here if the job applicant is a Vocational Rehabilitation (VR) Referral

17. Qualified Summer Youth Employee  
Check here if the job applicant is a Qualified Summer Youth Employee   
Enter the job applicant's birthday (mm/dd/yyyy): \_\_\_\_\_

18. Qualified Supplemental Nutrition Assistance Program (SNAP) Recipient  
Check here if the job applicant is a Qualified SNAP (Food Stamps) Recipient   
Enter job applicant's birthday (mm/dd/yyyy): \_\_\_\_\_  
Enter the name of the primary benefits recipient: \_\_\_\_\_ and the city and state(s) where benefits were received: \_\_\_\_\_

19. Qualified Supplemental Security Income (SSI) Recipient  
Check here if the job applicant received or is receiving Supplemental Security Income (SSI)

20. Long-Term Family Assistance Recipient  
Check here if the job applicant is a Long-term Family Assistance (long-term TANF) recipient   
Enter name of the primary benefits recipient: \_\_\_\_\_ and the city and state(s) where benefits were received: \_\_\_\_\_

21. Qualified Long-Term Unemployment Recipient  
Check here if the job applicant is a qualified long-term unemployment recipient (LTUR)   
Enter city and state(s) where UI claim records / UI wage records were filed: \_\_\_\_\_

22. Sources used to document eligibility. List all supporting documentation submitted to SWA. Indicate next to each document listed whether it is attached (A) or forthcoming (F). SWA Staff: List all supporting documentation used in determining targeted group eligibility for the applicant. Enter your initials and date when the determination was made.

I certify that this information is true and correct to the best of my knowledge. I understand that the information above may be subject to verification.

Visit the Department of Labor website <https://www.dol.gov/agencies/eta/wotc> to obtain WOTC forms and additional information about the WOTC program

# How to Apply?

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Submit forms 8850 and 9061 using the Virginia WOTC online System or mail the forms no more than 28 days after the new hire(s) start to work.

Employer checks online system for application status (New, Certification, Denied, OOS, SSI/TTW, Verify, etc.). Certificates and Denials may be printed directly from the Online System.

Employer must retain certified applicants for a minimum of 120 hours to take the minimum tax credit or 400 hours to take the maximum tax credit.

File Form 5884 or 5884C with federal tax forms.

# How to Apply?

 U.S. Department Labor  
Employment and Training Administration

OMB No. 1205-0371  
Expiration Date: May 31, 2026

**Employer Certification  
Work Opportunity Tax Credit  
CERTIFICATE**

**Certifying Agency**  
Virginia Employment Commission  
P.O. Box 26441  
Richmond, VA 23261-6441  
(804) 786-4341

1521846

**Target Group**  
Bc - Veteran Disabled (Unemployed)

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**Part A. Employer**

**Employer Name and Address** FEIN: 1931 **Employer Consultant**

**Part B. Employee**

**Employee Name and Address** SSN: Start Date: 2/20/2023

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**Part C. Certification**  
I, hereby certify that the individual named in Part B meets the eligibility criteria of Section 51(d) of the Revenue code of 1986, as amended.

Skinner, Priscilla  
Certifying Officer

*Priscilla Skinner*  
Certifying Officer Signature

11/8/2023  
Date Completed / Issued


Note to Employers: Additional information on [filing WOTC Certification requests with State Workforce Agencies \(SWA\)](#). Employers are also encouraged to visit the [IRS.gov](#) website to obtain copies of the newly revised IRS Form 8856.

Before employers may claim the work opportunity credit, the employee (new hire) must perform at least 120 hours of service for the employer to meet the Minimum Employment or Retention Period. For additional information, see the [FAQ page for Work Opportunity Tax Credit](#).

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**Note:** Falsification of data to obtain this Certification is a FEDERAL CRIME in violation of 18 USC 1001. Falsification of work or concealment of information is PUNISHABLE by a fine or imprisonment.

ETA Form 9063 (Rev. February 2023)

 COMMONWEALTH of VIRGINIA  
Virginia Employment Commission

WOTC UNIT  
Phone: (804) 786-2887  
Fax: (804) 786-1285

Post Office Box 1338  
703 East Main Street  
Richmond, Virginia 23218-1338

11/14/2016

Original Denial Date: 11/10/2016  Initial Appeal Request

Employer: Form Holder: External  
Start-to-Work Date: Denied By:  
EDN: Case Number: 683564  
New Hire:

We regret to inform you that your application for a Work Opportunity Tax Credit was denied in accordance with the Internal Revenue Service (IRS) and the U.S. Department of Labor (USDOL) criteria for the reason(s) below.

Reason(s) Denied: Please upload verification of veteran and/or disabled veteran status to the Virginia Online System at <https://vets.virginia.gov> using the Supplemental Document Upload menu option. The application will be re-opened upon receipt of the required documents.

Target Group(s) Submitted:

Veteran who served on active duty for a period of 180 days (other than active duty training) and did not have any day during the 60 day period ending on the hire date which was a day of extended active duty in the Armed Forces of the United States, or was discharged or released from active duty in the Armed Forces of the United States for a service-connected disability.

- Received Supplemental Nutrition Assistance Program (SNAP) benefits three (3) consecutive months during the fifteen (15) months prior to hire date.
- Receiving compensation for service connected disability and released from service during the year prior to hire date.
- Receiving compensation for service connected disability and unemployed six (6) months during the year prior to hire date.
- Unemployed four (4) weeks or more, but less than six (6) months during the year prior to hire date.
- Unemployed six (6) months or more during the year prior to hire date.

American Recovery & Reinvestment Act Unemployed Veterans

It is your right to appeal this determination. Attach this letter of notification as a cover sheet to request reconsideration, along with any additional documentation, and submit to the fax number or mailing address listed above. If the reconsideration is negative for you still believe that you are entitled to the tax credit, you have the right to appeal to the USDOL Regional Office and/or the USDOL National Office. The mailing addresses for these offices will be included in the redetermination letter. Acceptable documentation for verification of eligibility is included on Pages J & K of the ETA Form 9063. If a request for reconsideration is not received within one (1) year from the denial date listed above, or date of this notification (whichever is later), this determination becomes final and the case will be permanently closed. Please retain this letter for your records.

An Equal Opportunity Employer M/F/D

**Important Note:**  
**A denial may be a request for additional information.**

# Recap

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- ✓ **Employer hires from one of the ten WOTC Targeted Groups.**
- ✓ **Jobs Seeker completes form 8850 before Job Offer is made.**
- ✓ **During Onboarding, new hire completes form 9061.**
- ✓ **Forms 8850 and 9061 are submitted no more than 28 days after the new hire starts to work.**
- ✓ **Employer checks online system, if used, for status of application and to print determinations.**
- ✓ **Once application is Certified, employer retains new hire for the appropriate timeframe to take the tax credit.**
- ✓ **At Tax Time, Employer completes form 5884 or 5884C to calculate the tax credit amounts per new hire.**



**Thank you for your Time!**

Questions!

Priscilla Skinner

804 786-4341

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